

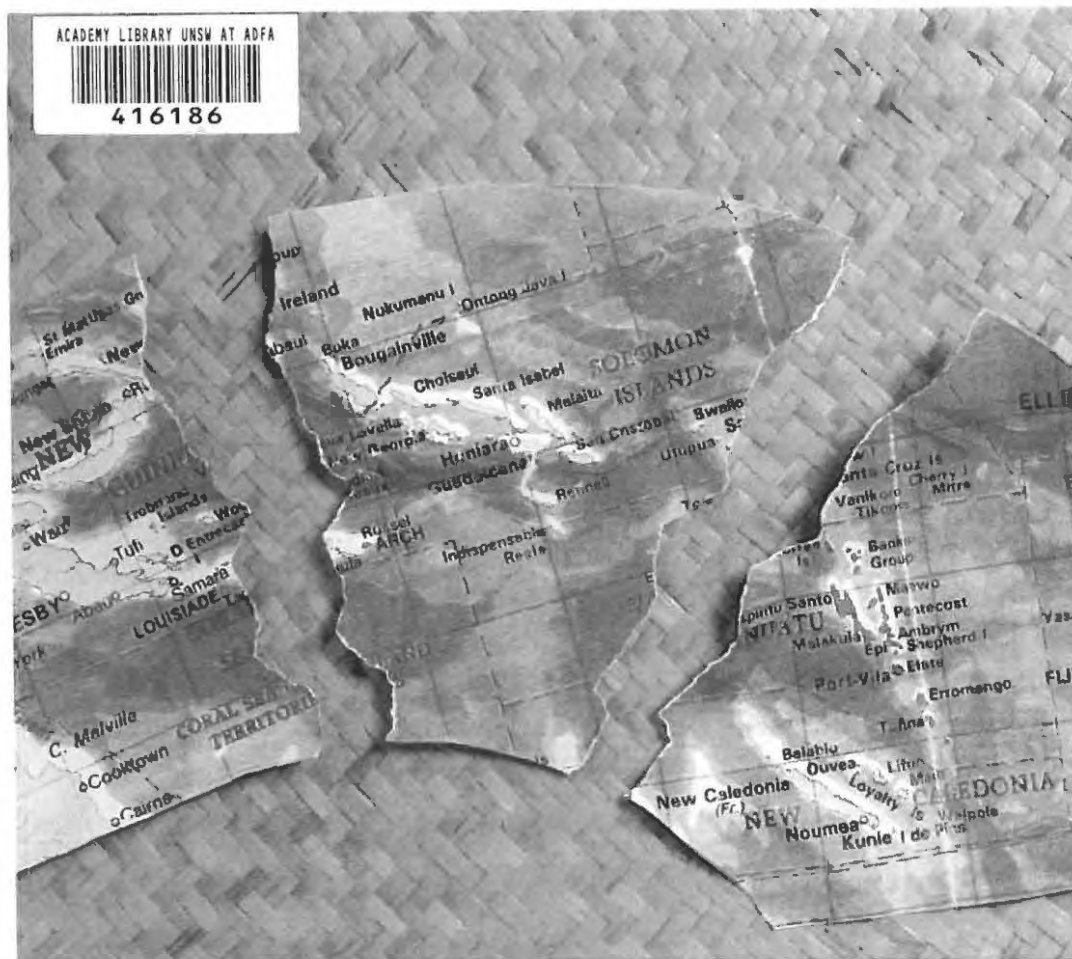
This book comprises six informed contemporary narratives and historical commentary by a group of distinguished regional scholars writing in the context of growing concern about an emerging 'arc of instability' in the Southwest Pacific region.

This timely collection of concise papers on significant—and recent—developments in Melanesia is edited by Dr Ron May, Senior Fellow in the Department of Political & Social Change, Research School of Pacific and Asian Studies at the ANU.

Arc of Instability: Melanesia in the Early 2000s comprises:

- R.J. May: "The Military in Papua New Guinea: A 'Culture of Instability'?"
- Anthony Regan: "The Bougainville Peace Agreement, 2001-2002: Towards Order and Stability for Bougainville?"
- Sinclair Dineen: "Guns, Money and Politics: Disorder in the Solomon Islands."
- Michael Morgan: "Converging on the Arc of Instability? The Fall of Barak Sope and the Spectre of a Coup in Vanuatu."
- Brij V. Lal: "In Spite of Mr Speight? Fiji's Road to the General Elections, 2001."
- Benjamin Reilly: "Islands of Neglect."
- A full bibliography

'ARC OF INSTABILITY'? MELANESIA IN THE EARLY 2000S



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The Australian National University

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RJ MAY (EDITOR)



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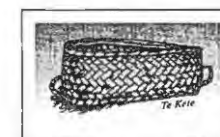
MELANESIA IN THE EARLY 2000s

**R.J. May
Anthony Regan
Sinclair Dinnen
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Brij Lal
Benjamin Reilly**

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Preface

This collection of papers derives from a public seminar at the Australian National University in 2001, intended to provide some commentary and discussion on a number of significant events then taking place in Melanesia, and in the context of growing concern about an emerging 'arc of instability' to Australia's north. The collection has subsequently been expanded and updated.

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August 2002.

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THE MILITARY IN PAPUA NEW GUINEA: A 'CULTURE OF INSTABILITY'?

R.J. May

In the period from early 2000 to mid 2002, a series of incidents involving the Papua New Guinea Defence Force (PNGDF) has highlighted continuing problems within the Force, and once again raised questions about the possibility of military intervention in politics.

Recent unrest and official reviews

Early in 2000 a group of PNGDF personnel staged an angry protest outside Defence headquarters in Port Moresby, demanding a 100 per cent pay rise (they eventually received 5 per cent). Then in September that year, on the twenty-fifth anniversary of Papua New Guinea's independence, disgruntled soldiers of the PNGDF's Second Battalion, returning to Moem Barracks in Wewak to find there was no food in the mess, went on a rampage, burning down the regimental headquarters and officers' mess and causing visiting Papua New Guinean and Indonesian dignitaries, at Moem to celebrate the independence anniversary, to flee. In a separate incident the following week, soldiers marched on the Port Moresby General Hospital to recover the body of a colleague shot dead by police following an armed holdup in the national capital; rocks were thrown and a police vehicle set alight, and rumours that soldiers were about to march on the National Parliament forced the parliament to postpone its session.

The incidents of September 2000 prompted the creation of a parliamentary Ministerial task Force on Defence, chaired by the Defence minister, Muki Taranupi, to examine the status of the PNGDF. The Task Force reported in October. Introducing the report into parliament, Prime Minister Mekere Morauta said: 'the PNGDF and the Defence Department cannot provide the protection that the people of Papua New Guinea need'; if hostilities or a national emergency occurred, he told parliament, 'a credible force could not be mobilised in less than 30 days'. He spoke of a 'culture of instability' in the PNGDF, and suggested that the institutional breakdown of the Force was the

result of years of neglect and mismanagement. The report itself argued that the basic needs of the PNGDF were not being met, that basic management structures and systems were not appropriate or not working, and that critical issues relating to the mission and purpose, capacity, resourcing and structure of the Force needed to be re-examined. Prime Minister Morauta foreshadowed a 'radical overhaul' of the PNGDF and announced that he would ask the Commonwealth secretary general for assistance in this.

In November 2000 a Commonwealth Eminent Persons Group (CEPG), headed by a former New Zealand defence secretary, Gerard Hensley, arrived in Port Moresby to begin its review.¹ At the time, there was talk of reducing force size from 4200 to around 3000 at end 2000 and 1500 by mid 2001. This was broadly consistent with recommendations for restructuring of the PNGDF contained in defence white papers of 1996 and 1999. Cabinet had in fact approved proposals for a smaller force, and a redundancy list had been drawn up (though it was being strongly contested). Following talks with the Australian government it was announced that Australia would increase its support for the PNGDF under the Defence Co-operation Program, in part as a once-off payment to enable the PNGDF to pay entitlements owed to soldiers and meet other outstanding debts, and cover the costs of downsizing. Australia would also provide up to thirty defence advisers. Assistance to the Defence Department was also anticipated from the World Bank.

The report of the CEPG (CEPG 2001) was presented to the government in January 2001. It contained a number of observations about structural imbalance, maintenance and supply deficiencies, financial and personnel management, and discipline. It also recommended a dramatic reduction in force size, from 4150 to 1900 within six months through a Voluntary Release Scheme.

While the recommendation for cutting force size was not new, extracts from the report were leaked before adequate consultation with troops had taken place, and after the CEPG report had been accepted by cabinet in March 2001 rumours of imminent downsizing generated an angry response. There was particular resentment that the recommendations had come from a predominantly 'foreign' group and that Australian influence was present. Within PNGDF's main base at Murray Barracks – where there was already a large number of soldiers who had been made redundant but were still awaiting redundancy payments – a group of around one hundred soldiers called on the government to reject the recommendations of the CEPG and to resign, and there were reports of soldiers

breaking into the armoury. The soldiers also called for the removal of Australian military advisers. When the Defence minister came to address the soldiers he was chased away, and there was some destruction of property within the barracks. However, the soldiers did not carry their dispute beyond the barracks, despite the urgings of some national politicians, who, with an election on the horizon, were keen to discredit the Morauta government, and of student activists at the University of Papua New Guinea, who suggested that the soldiers join with students and trade unionists in a demonstration against the government's acceptance of structural adjustment measures imposed by the World Bank. (In a subsequent student demonstration, in June 2001, police fired on demonstrators, killing four people.)

In the event, the dispute was resolved fairly quickly, but only when the prime minister agreed to rescind the cabinet decision on force size (though, in fact, the downsizing process has continued) and to grant amnesty to those involved in the protest. In a public statement, Prime Minister Morauta said that the proposed downsizing had been shelved 'to ensure stability and avoid the issues being politicized' (*Post-Courier* 20 March 2001).

Less than a year later another, more serious, incident occurred in Wewak, when rebellious soldiers, in a further protest about the proposed restructuring, took control of Moem Barracks, burning down the communications centre and an administration block which also housed military intelligence, breaking into the armoury, and chasing some officers and their families out of the compound. A 13-point petition presented by the soldiers to then opposition leader Sir Michael Somare (a resident of Wewak) included, as well as industrial demands, calls for the resignation of the prime minister, and of the commander PNGDF, and several other political demands, including a halt to the privatization of government assets and proposed land mobilization (see *The National* 12 March 2002). At the time, an editorial in *The National* newspaper (12 March 2002) warned: 'Moem mutiny threatens our democracy'; 'the main aim of the rebellious soldiers', it said, 'is the political overthrow of the elected government of the day'. On this occasion, after negotiations between the soldiers and a PNGDF crisis management team failed to resolve the dispute, the Barracks was retaken in a military operation (see *The National* 25, 28 March 2002) and around thirty soldiers were subsequently arrested and face court-martial and civil criminal charges. And Prime Minister Morauta reiterated his government's commitment to the restructuring of the PNGDF (*The National* 20 March 2002).

¹ Other members of the CEPG were Major General Michael Jeffrey, an Australian former commander of the PNGDF, Jamaican Hugh Small QC, and senior Papua New Guinean bureaucrat Charles Lepani.

Background to the current disputes

Problems of deteriorating capacity, declining morale, and poor discipline in the PNGDF are longstanding. They were highlighted during the Bougainville conflict, when the PNGDF not only was unable to contain the Bougainville Revolutionary Army but was involved in human rights violations and occasional confrontation with the civilian government (see, for example, Liria 1993; May 1997). Successive governments have failed to address the issue effectively.

In 1988 a *Defence Policy Paper* proposed a ten-year programme to replace major equipment, reorganize force structure and enhance defence capabilities. Approval of a Ten-Year Development Plan for the PNGDF did not come until 1991, however, by which time the Bougainville conflict was well under way. This plan provided for an expansion of the Force, to 5200 by 1995. However, in 1992, without any explicit change in policy, the minister for Finance outlined budgetary proposals for the law and order sector which included a scaling down of PNGDF force size from 4200 to 2500-3000. For some time, these two mutually incompatible policy decisions co-existed without either being implemented. In 1996 proposals for a fundamental restructuring of the PNGDF were set out in a Defence white paper. These envisaged a smaller, more mobile, more highly trained, and better equipped force. Little immediate progress was made in the implementation of the 1996 proposals, which were essentially endorsed in a revised white paper in 1999.²

In the meantime, the frustration of the Chan government at the PNGDF's inability to achieve a military solution to the Bougainville conflict had resulted in the decision to hire military consultants Sandline International, precipitating the 'Sandline affair' (see Dinnen, May and Regan 1997; Dorney 1998; O'Callaghan 1999). Brigadier General Singirok's defiance of the government over the Sandline contract received considerable popular support, and in the event gave impetus to the Bougainville peace process. But it also created divisions within the PNGDF and had pronounced negative effects in the longer term, both in exacerbating existing problems of instability in the office of commander (which changed seven times between March 1997 and October 2001) and in increasing factionalism within the force. After 1997, factional splits partly followed a division between those troops who had supported General Singirok (particularly the Special Forces Unit which had been created under Singirok's command and had spearheaded the action to remove Sandline) and those who had not taken part in the Sandline affair (and were associated

with the Special Operations Group set up after Singirok's sacking in March 1997 to restore order in the barracks), but were based primarily on regional identities.

A particular aspect of regional factionalism within the force has been the growing resentment among highlanders that the highlands provinces are significantly underrepresented at senior officer level.

In 1997 the PNGDF was deployed to assist police in providing security for the conduct of the national election. In the Eastern Highlands, however, troops were accused of physically assaulting supporters of the outgoing defence minister, Mathias Ijape, and in Enga Province several soldiers were arrested on charges that they had assisted particular candidates. General Singirok, having been removed from command of the PNGDF, had also campaigned for selected candidates in the highlands (specifically, a group of candidates, backed by Melanesian Solidarity, who had supported Singirok in his opposition to the Sandline contract). Consequently, in 2002, amidst talk of the PNGDF's being subjected to 'outside influences' (see, for example, *The National* 15 March 2002, quoting PNGDF chief of Staff, Captain Ur Tom), it was decided that the army would be used in security operations during the national election only as a last resort, and troops were confined to barracks with leave cancelled. A change in the Defence portfolio, and announced changes in senior PNGDF positions early in 2002 (which were deferred after a legal challenge) were also seen as attempts to ensure the neutrality of the Defence Force in the lead-up to the election. (In April, however, it was reported that Defence Intelligence had informed the PNGDF commander, Commodore Ilau, that these changes were 'election-related' and evidence of a plot by 'a major political party' to halt the retrenchment exercise and change the current command structure of the Force (*The National* 23 April 2002; also see *The National* 29 April 2002, 'Sir Michael [Somare] fears election rigging').)

Notwithstanding these measures, it was reported in June that several soldiers, including a lieutenant colonel, had absented themselves and taken part in the election campaign. The civilian Defence secretary was also reported to have left his office and to have been seen with candidates in the highlands. Several soldiers were subsequently arrested in the Southern Highlands and charged with electoral offences. In July, as the law and order situation in the highlands deteriorated, preventing voting from taking place in much of the Southern Highlands (where 'failed elections' were eventually declared in six electorates), the PNGDF was deployed to assist the police.

² For a detailed account see May (1993), the annual reviews in *Asia Pacific Security Outlook* (Tokyo and New York: Japan Center for International Exchange), and papers by Lt. Col. James Laki, in NRI 2000a,b.

The potential for a coup?

The actions of disgruntled soldiers in September 2000 reflected a serious lack of discipline, but had only minor impact beyond the PNGDF itself. The confrontation at Murray Barracks in April 2001 was a more serious incident, though as I argued at the time, the action of the soldiers could be seen less as an 'attempted coup', as some were apt to describe it, than as an industrial dispute. Without downplaying the seriousness of *any* episode in which the disciplined forces defy an elected government (and recognizing that military coups are not infrequently prompted by soldiers seeking to safeguard their material interests), what was salient in April 2001 was that the rebellious soldiers did not go outside the barracks, and did not accept the invitation to join students and trade unionists in a more broadly-based protest. Their actions in 2001, indeed, were more constrained than in 1989, when soldiers marched on the National Parliament to protest their disappointment at lower-than-expected pay increases.

Evidence of links between soldiers and serving or aspiring politicians, however, gives more substantial cause for concern. In recent years there have been persistent reports of PNGDF weapons being stolen, borrowed or hired by *raskols*, participants in intergroup fighting, and the *sekuriti* (bodyguards) of bigmen and politicians. There is also evidence that former *raskols* have been recruited into the PNGDF and that some discharged soldiers (often still living in the barracks) have been involved in *raskol* activity. In both the Murray Barracks and Moem mutinies, also, discharged soldiers were involved.

Most observers (including myself) still believe that the probability of significant military intervention in politics in Papua New Guinea is very low. Not only do the small size of the Force, its lack of cohesion, the longstanding antipathy between the PNGDF and the Royal Papua New Guinea Constabulary, and the geography of the country all pose difficulties for potential coup makers,³ but, given the localized nature of political power in Papua New Guinea and the difficulties which even a legitimate government has in governing, it is difficult to envisage what those who carried a coup could do next. Nevertheless, the prospects of collaboration between disgruntled soldiers and opportunistic politicians to challenge an elected government can no longer be entirely ruled out. The Sandline affair, and the challenge to the government's implementation of the CEPG report and earlier proposals, have demonstrated to PNGDF personnel that a show of force can bring about a shift in government policy, and the emergence of factionalism within the Force, and factional links to

politicians, has created a climate in which military professionalism has been at least partially undermined.

The appointment of a new commander in October 2001, and the withdrawal of troops from Bougainville following the signing of a Bougainville Peace Agreement the same year, provide an opportunity for the government and the PNGDF to address the problems of capability, morale and discipline in the Force, and to adapt the Force to the needs, and budgetary constraints, of the 2000s. It has become clear, however, that if the decline in the professionalism of the PNGDF is to be halted and reversed, there needs to be a substantial change in the present culture of the Force.

³ Though not, as former Papua New Guinea based army officer Trevor Rogers reminds me, insurmountable difficulties.

THE BOUGAINVILLE PEACE AGREEMENT, 2001-2002: TOWARDS ORDER AND STABILITY FOR BOUGAINVILLE?

Anthony J. Regan

On 27 March 2002, just days before writs were issued for Papua New Guinea's 2002 general elections, the National Parliament passed two constitutional laws implementing the *Bougainville Peace Agreement*, which had been signed just seven months before (on 30 August 2001). In the lead-up to the votes, about 1,000 firearms were placed in containment as part of an ongoing weapons disposal process. After March, progress in implementation of the Agreement continued.

Yet early in December 2000, only sixteen months before the constitutional laws were passed, negotiations towards a political settlement had broken up in deadlock. There were fears that the previous eighteen months of often tense negotiations for such a settlement may have been wasted. The breakthrough came later in December 2000 when Australian Minister for Foreign Affairs and Trade, Alexander Downer, proposed a compromise on the most contentious issue in the political negotiations, namely Bougainville's demand for a referendum on independence from Papua New Guinea. That proposal became the basis for a January 2001 agreement resolving the referendum issue. Only then was it possible to resolve the other major outstanding issues, namely the most contentious aspects of the arrangements for a high level of autonomy for Bougainville, and a process for disposal of weapons and the associated phased withdrawal from Bougainville of the Papua New Guinea security forces.

The developments since January 2001, part of what is probably one of the world's most successful peace processes, offer an important corrective to the general perception in Australia of its immediate neighbouring region to the north as an 'arc of instability' or a 'crescent of chaos'. Of course, the extensive regional and international support for the Bougainville peace process has been of critical importance to the success of the process. However, the basic dynamics of the process have been internal to Bougainville and to Papua New

Guinea more generally. There has been remarkably widespread commitment to peace that has gradually contributed to increasing order and stability in Bougainville, and in relations between Bougainville and the government of Papua New Guinea. Bougainville, a part of Melanesia where violence, chaos and instability were once endemic, is being transformed.

This paper offers a brief overview of the steps in and the dynamics of the peace process in the eighteen months from January 2001 to July 2002, and an assessment of the prospect that implementation of the *Peace Agreement* will provide the basis for continuing consolidation of peace in Bougainville and between Bougainville and the rest of Papua New Guinea.

From conflict and instability to the dynamics of a peace process

Conflict and its impacts. From 1988 until the late 1990s, the situation in Bougainville was a cause for deep disquiet for those concerned about security and stability in the Southwest Pacific. There was violent conflict⁴ with two main dimensions. The first was between Bougainvilleans (mainly the Bougainville Revolutionary Army or BRA) and Papua New Guinea, especially its security forces (the Papua New Guinea Defence Force [PNGDF] and the Police Mobile Riot Squads). The second was between opposing Bougainvillean factions, and often between the BRA and the Bougainville Resistance Forces (BRF) who supported the national government forces.

The conflict had many impacts, not just on Bougainville but also on Papua New Guinea more generally, and on regional security. In Bougainville, the conflict caused or contributed to terrible suffering. Its impacts included thousands of deaths; injuries and traumas for many more people; destruction of infrastructure; collapse of the Bougainville economy; and cessation of government services in many areas. For Papua New Guinea, several hundred security forces members died, morale and capacity of the security forces were undermined (a major contributing factor to problems subsequently experienced by those forces, especially the PNGDF), and the economy was damaged, both by cessation of mining and agricultural commodity production in Bougainville and by a range of direct and indirect costs associated with the conflict. For the region, relations between Papua New Guinea and Solomon Islands were damaged, as were relations between Australia and Papua New Guinea. The Bougainville conflict was in many ways an influence on the conflict that developed in Solomon

⁴ There is an extensive literature on the origins and unfolding of the conflict, including: May and Spriggs (1990), Oliver (1991), Spriggs and Denoon (1992), Regan (1998), Ogan (1999), Ghai and Regan (2000), and Regan (2000). See also the bibliographic essay by Wesley-Smith (1992).

Islands from 1998. The 1997 attempt by the Papua New Guinea government to use mercenaries to resolve the Bougainville conflict was just one of the many aspects of the Bougainville conflict which changed perceptions of security risks and needs in the region.

Dynamics of the peace process. The present peace process,⁵ widely regarded as beginning with the talks among Bougainvilleans held in New Zealand in mid-1997, actually built upon many previous peace efforts going back to 1988. While there were many other factors in the origins of the peace process, perhaps the most remarkable thing was the emergence of a widespread consensus in Bougainville that violent conflict between Bougainvilleans was destructive and had to end. This consensus took some years to develop. It was in part driven by deep-rooted cultural imperatives, vital to the survival of the small-scale stateless societies of Bougainville over many thousands of years, directed to maintaining balance within and between societies through reciprocal exchange, and through peace-making and reconciliation ceremonies directing to restore balance disturbed by conflict. These cultural imperatives were a driving force in many local reconciliation efforts.

Recognition of the need to limit the conflict in Bougainville was articulated not just through these localized conflict resolution efforts, but also through the broader efforts of local NGOs, church groups and women's organisations. The wider movement to end conflict mobilized support in various ways, including reference to religious norms, and emphasis on linkages between local identity (lineage, clan, language, district, etc.) and pan-Bougainville identity, focusing on the deleterious impacts of intra-Bougainville conflict on Bougainville unity and Bougainvillean identity. The gradual mobilization of support for ending conflict helped to establish a widely accepted view that violent conflict was unacceptable as a means of resolving disputes, at least among Bougainvilleans. This was a norm that transcended differences among Bougainvilleans.

By the first part of 1997 the consensus on the need for peace was driving a search by almost all Bougainville factions for renewal of pan-Bougainville peace efforts last attempted in December 1995. In Port Moresby there had long been elements in both political and bureaucratic leadership supporting a peaceful settlement in Bougainville, and while their influence had waned in 1996, there was a conjunction of developments in early 1997, largely associated with the demise of proposals to engage the Sandline mercenaries to crush rebellion in Bougainville, leading to a renewed willingness to explore options for peace

⁵ For discussion of the origins and development of the Bougainville peace process, see Regan (1997); Adams (2001); Wehner and Denoon (2001); Regan (2001a, 2001b, 2002a, 2002b); Carl and Garasu (2002).

(Regan 1997, 2001a). Once the Papua New Guinea and Bougainville sides engaged, the process was assisted by the fact that most, if not all, Melanesian societies share, to some extent, imperatives concerning restoration of balance disturbed by conflict, similar to those in Bougainville.

International interventions. In the changed circumstances in both Bougainville and Port Moresby in the first half of 1997, the way was opened to creative international interventions, initially from the government of New Zealand, and later from Australia and the United Nations, with support from Solomon Islands, Fiji and Vanuatu. Such interventions have continued to be critical to supporting the powerful internal dynamics of the peace process in three main ways:

- by providing a secure environment for building trust and communication between previous opponents within which negotiations could take place;
- by facilitating the peace process, including negotiations, in a variety of ways; and
- by mediating between opponents at some critical points in the process.

A secure environment was initially provided by negotiations at neutral venues. The early meetings were in New Zealand (in July and October 1997 at the Burnham military barracks, and in January 1998 at Lincoln University) and Australia (in November 1997 in Cairns and in March 1998 in Canberra). These early talks both ended the conflict (formally with the Burnham Truce of October 1997) and resulted in agreements on the institutional arrangements to provide a secure environment on the ground in Bougainville, enabling former opponents to establish communication and trust. The arrangements were based upon further international interventions. They included an unarmed regional monitoring force – from November 1997 to April 1998 the New Zealand-led Truce Monitoring Group (TMG) and from May 1998 to the present the Australian-led Peace Monitoring Group (PMG) – and the small United Nations Observer Mission on Bougainville established later in 1998 (Smith 2002).

Establishing the process, 1997-99. Creation of a secure environment happened gradually, resulting in a longer than anticipated period – July 1997 to June 1999 – during which the focus was on building the process and commitment to it rather than moving towards outcomes on divisive political issues. Indeed it was recognised that political negotiations could not occur without a secure environment first being established.

Another contributing factor to the slow progress in the early stages was the extent of the factional differences in Bougainville. These initially expanded,

with new splits emerging among both those supporting independence and those in favour of integration of Bougainville into Papua New Guinea. BRA leader Francis Ona and his supporters refused to support the process from just after the first Burnham talks (July 1997), while among the pro-integrationist factions, from late 1998 to November 1999 three Bougainville MPs, leaders of the Bougainville Resistance Forces (BRF) and the Buka local government (Leitana Council of Elders) all refused to work with the mainstream coalition of Bougainville groups (Regan 2001a, 2002b).

Despite these and other difficulties, negotiations for a political settlement to the conflict eventually began in June 1999. It then took over two years for those negotiations to produce a political settlement. In the process, it was necessary to resolve aspects of both dimensions of conflict and division – the intra-Bougainville dimension and the Bougainville/Papua New Guinea dimension.

Initial positions in the political negotiations, June 1999-December 2000

The story of the way in which the previously divided Bougainvillean factions (other than Ona and his supporters) developed and maintained a unified negotiation position, based on acceptance of a deferred referendum as the way to deal with the independence issue with 'highest possible autonomy' to operate until the holding of the referendum, has been told elsewhere (Regan 2002b). With Bougainville relatively united in its negotiating position, the referendum issue became the central – but not the only – issue dividing the Papua New Guinea national government and Bougainville.

The national government was always willing to entertain special autonomy for Bougainville but disputed the validity of the concept of 'highest possible' autonomy, arguing instead for 'highest practicable' autonomy. (While the level of autonomy would be higher than elsewhere in Papua New Guinea, it would be limited by a range of practical considerations, including political, financial and personnel constraints.) But its initial position on the referendum proposal was refusal to even discuss the issue until agreed autonomy arrangements had been in operation for perhaps fifteen years, at which point – it was argued – Bougainvilleans would be in a position to evaluate realistically the relative advantages of autonomy within Papua New Guinea and secession.

In relation to weapons disposal, the situation was more complex, with differences in positions across the two dimensions of conflict. The national government, with support from the BRF and some other pro-integration Bougainville groups, pressed for the weapons disposal process to be agreed and

begin as quickly as possible, and for it to be as complete as possible. This was seen as crucial to the restoration of civil authority on Bougainville. The BRA was more ambivalent, in part reflecting a view held by some senior figures that the deferral of the referendum would be for a brief period only, and that following the referendum Bougainville would be independent, at which point the BRA weapons would become those of the army of independent Bougainville. The BRA also sought withdrawal of the national government security forces as part of any weapons disposal plan; the national government was ambivalent towards that demand.

Reaching agreement on the three main issues, January to August 2001

Referendum. In the face of possible breakdown of the talks in late March 2000, Minister for Bougainville Affairs, Sir Michael Somare, had abandoned the refusal to discuss a referendum, and instead accepted an ambiguous UNOMB mediated formulation in the *Loloata Understanding*, under which the autonomy and referendum issues would be dealt with together. Having agreed to negotiate the issue, Somare found himself in difficulty, especially as the Loloata formulation was understood by many in Bougainville as amounting to capitulation on the issue. Somare tried a number of ways of escaping the problems caused by Loloata, none of them acceptable to Bougainville. At the same time, by late 2000 Bougainville was seeking to make the referendum proposal more palatable to Port Moresby, for example, by indicating willingness to both defer the referendum by ten or more years, and to meet some basic conditions (for example in relation to good governance) before the referendum could be held. By the end of talks held in Port Moresby in November-December 2000, however, it was clear that there was deadlock on the referendum issue.

It was at this point, just days before Christmas 2000, that, in visits to Bougainville and Port Moresby, Downer put a possible compromise to Bougainville and national government leaders. The compromise involved Papua New Guinea accepting that there would be a deferred referendum for Bougainville on the independence question, and Bougainville accepting that the outcome of that referendum would not be binding, but rather subject to the ultimate authority of the parliament. With each side indicating willingness to consider the compromise, talks between them were held in Bougainville early in January 2001 where an agreement in principle was reached. It was refined at longer talks held in East New Britain at the end of that month.

A referendum would be held, but deferred until no earlier than ten and no later than fifteen years after the autonomous government was established. In setting a

date, the parties would take account of the progress made both in restoring 'good governance' to Bougainville and in relation to weapons disposal. The referendum would be among Bougainvilleans and could be conducted by national electoral authorities in conjunction with Bougainville, and with international observers present. There would be consultation on the outcome of the referendum, but implementation of the outcome would be subject to the ultimate authority of the National Parliament.

For the national government, Downer's key selling point was that national sovereignty was maintained through recognition of the ultimate authority of the National Parliament. To persuade the Bougainvilleans to compromise on the binding effect of the referendum, Downer suggested that the acceptance of the authority of the parliament was not necessarily the end of the matter. He pointed to East Timor as a precedent, suggesting that if a high proportion of Bougainvilleans voted in favor of independence, the international community would not be able to ignore the outcome.

Both Bougainville and the national government were seeking constructive ways out of the dangers of deadlock, and so were responsive to a possible compromise. To accept that compromise, the biggest movement was required from the national government, and here a change of minister that had occurred just before Downer's visit was of critical importance. Moi Avei replaced Sir Michael Somare as minister for Bougainville Affairs, and brought both more flexibility and openness to the negotiating table, as well as an ability to build support in the bureaucracy and in the cabinet for what many had until then regarded as radical positions. Avei's role continued to be critical to the rapid progress made in resolving the outstanding aspects of autonomy and the weapons disposal issues over the next few months.

Weapons disposal. As the East New Britain talks finished in January 2001, Avei applied pressure by indicating that the national government concessions on the referendum issue required answering movement from Bougainville in relation to weapons disposal. The Bougainville political leaders were eager to respond, but had always accepted that weapons disposal was a matter where the ex-combatants – BRA and BRG – had to take the lead.

There had been ongoing discussions on weapons disposal between ex-combatant leaders and national government representatives in the Peace Process Consultative Committee (PPCC), the main committee that dealt with reports of ceasefire violations and also acted as a consultative body for the main 'stakeholders' in the peace process (see Regan 2001b). The BRA, BRG and national

government had all submitted proposals for weapons disposal plans through the PPCC. While there were many commonalities between those plans, there were also significant differences.

It had become increasingly clear that differences between the BRA and the BRF could be a major obstacle to meaningful discussion on weapons disposal between the national government and Bougainville. At the same time there was a perception that the differences between the BRA and the BRF might not be significant. The obvious way ahead was to hold a major meeting involving as many commanders as possible from both the BRA and the BRF. It was difficult, however, to hold such a meeting in Bougainville. The continuing lack of trust between some BRA and BRF elements was an issue here, as were tensions among BRA elements resulting from internal BRA conflict in south Bougainville that had contributed to problems between the BRA 'high command' and some commanders in the south.

In order to facilitate the greatest possible speed in progress towards an agreed weapons plan, the Australian government agreed, at very short notice, to host a major meeting of Bougainville ex-combatants in Townsville, Australia, late in February 2001. National government ministers and advisers also attended, for if the BRA and BRF reached agreement, progress might then be made towards a weapons agreement between Bougainville and the national government. Discussion soon bogged down in debate on the details of the respective plans of the BRA and BRF. It was only on the last day of the talks that it became clear that the real obstacle was the continuing lack of trust between the BRA and the BRF. Each was concerned that if they were to dispose of all of their weapons, the other side would retain access to weapons and might then be able to launch an attack on their unarmed opponents. So the talks broke up without an agreement being reached. However, they made a valuable contribution by simply illuminating the depth of the lack of trust, and in opening communication and thereby reducing distrust.

While in Townsville, Bougainville and the national government technical officials also advanced discussions on autonomy, and major negotiations on that subject resumed in Port Moresby in early March. As usual, senior BRA and BRF commanders were part of the Bougainville delegation, and informal discussions on weapons disposal continued. By the end of these autonomy talks, early in April, considerable progress had been made in dealing with the outstanding aspects of autonomy, a development which contributed to pressure to resolve the weapons issue.

There was by now general acceptance that weapons disposal was one of the three agenda items in the talks. The BRF in particular were insistent that there should be a comprehensive disposal process, for otherwise they feared for their security. There was growing consensus emerging that the operation of the agreed arrangements for referendum and autonomy should in some way be tied to the weapons disposal process. Because there was now also agreement on the referendum being deferred for ten to fifteen years (rather than the short period once envisaged by many in the BRA), there was now more openness among the BRA to a general weapons disposal process rather than simply a rapid movement to an armed security force for an independent Bougainville. There was also a growing realization that delays in reaching agreement on weapons could delay finalizing a formal agreement on referendum and autonomy. As a result of these developments, Bougainville political leaders now began applying pressure to BRA and BRF leaders to reach agreement on weapons.

Eventually, in late April and early May 2001, a meeting between BRA and BRF leaders, facilitated by the member of parliament for Central Bougainville and former BRF chairman, Sam Akoitai, resulted in an agreement on the subject. That became the basis for negotiations with national government officials, and a weapons disposal agreement was at last signed later in May. The agreement involved a complex three-stage weapons disposal process, with withdrawal of the few remaining security forces members to occur in conjunction with the disposal process, and with close links between progress in the disposal plan and the passing and coming into operation of the laws proposed to give effect to the proposed political agreement.

In brief, the first stage involves handing in of weapons for storage in containers held by BRA and BRF commanders. The second stage involves collection of weapons in secure containers at a few central points, the containers to have two locks, one held by the UNOMB and the other by the BRA or BRF commander. The third stage involves the making of a decision about the ultimate fate of the weapons, to occur within four and a half months of the completion of the second stage of weapons disposal.

A two-way link was agreed between the proposed constitutional amendments and the weapons disposal plan:

- the national government was to be pressured to honour its commitment to change the necessary laws (the national constitution and the organic laws) because secure containment (second stage) of weapons disposal occurs only when the constitutional laws implementing the Agreement are passed;

- Bougainville was to be pressured to ensure secure containment occurs not only because the constitutional changes on both referendum and autonomy will not come into operation until the UNOMB certifies that secure containment of the weapons (second stage) has occurred, but also because provision for possible UNOMB verification concerning substantial compliance during the third stage could result in delay of election of the proposed autonomous Bougainville government.

Autonomy. Reflecting the fact that it was the least controversial of the three main issues being dealt with in the talks, during 2000 there had been progress towards agreement on some aspects of autonomy. For example, agreement had been reached that there should be an autonomous government for Bougainville, with structures largely chosen by Bougainville under its own constitution. But although there was also general agreement that Bougainville should have extensive powers and functions, there were still significant differences about what they should be, and there had been little progress in resolving complex issues concerning the financial and personnel arrangements and intergovernmental relations (arrangements needed to manage the special dynamics to be expected in relations between the national government and a Bougainville government with a high degree of autonomy).

In the four weeks of talks in Port Moresby in March-April 2001 considerable progress was made on many aspects of powers and functions, financial and personnel arrangements, and on the absence of most forms of national government control powers in the intergovernmental relations arrangements. However there was limited progress on several difficult issues, including a separate police force and public service for Bougainville, and powers over human rights, judiciary and defence.

Final details of autonomy arrangements were resolved in five weeks of meetings in Port Moresby in May-June 2001 where both sides made significant compromises on the remaining – and generally controversial – aspects of autonomy. On some matters where compromise proved difficult, key issues were left to resolution by later processes – for example, aspects of Bougainville's proposals for its powers over human rights were left to a later inquiry.

A draft agreement was finalised in June 2001 and then referred to both the Bougainville political leaders (Bougainville People's Congress and Interim Provincial Government) and the National Executive Council. Changes sought by the latter body resulted in further brief negotiating sessions in July and

August, and some changes to the draft agreement before it was finalised for signing on 30 August.

In brief, the autonomy arrangements⁶ allow Bougainville considerable freedom to establish its own government under a Bougainville constitution. While thirteen listed powers are to be retained by the national government, all other powers and functions known to government are available to be transferred to Bougainville, subject to there being necessary capacity. In particular, Bougainville will be free to establish its own public service, police and judiciary, provided some basic conditions to maintain parity of systems with those of the national government are met. The national government will have no power to control Bougainville through suspension of the autonomous government or withdrawal of its powers and functions. However, it will have limited powers to withhold payment of grants due to Bougainville in cases of persistent abuse of basic standards of financial management.

Developing and passing constitutional laws, September 2001 to March 2002

Even after the *Peace Agreement* was signed, negotiations between Bougainville and Papua New Guinea have continued as part of the implementation process, both in relation to development of the constitutional laws intended to implement it and in relation to other matters. The further negotiations have been required for two main reasons. First, the parties agreed to leave details of some matters to be resolved later, during drafting or implementation of the laws. Secondly, the autonomy arrangements, in particular, have been conceived as a broad enabling framework, within which many aspects of the specifics of government arrangements are intended to develop as circumstances and needs change. To date, however, the negotiations have been far less adversarial than those involved in development of the Agreement itself, there having been a clear commitment on both sides to honour both its spirit and detail.

The constitutional laws had to be drafted with considerable haste, mainly because general elections for the National Parliament were scheduled for mid-2002, and it was agreed that the complex steps involved in amending the constitutional laws should be completed before parliament was dissolved for the elections. A small joint national government/Bougainville technical committee was established to resolve matters of detail while working with the constitutional drafters and helping them interpret the Agreement. That committee and the drafters worked over several weeks from mid September to early November, when the constitutional laws were published in the *National*

⁶ For more detailed discussion of the autonomy arrangements, see Regan (2002a: 120-2).

Gazette. There were two laws – a long and complex set of amendments to the Papua New Guinea constitution, and a new *Organic Law on Peace-building in Bougainville*.

Passing each of the two laws involved complex procedural requirements, in particular two separate absolute majority votes of the parliament separated by at least two months. The first votes took place on 23 January, when, after making a small change to the draft amendments to the constitution, 85 MPs voted in favour of the constitutional amendment and 86 in favour of the organic law. The second vote was on 27 March, when 85 voted in favour of the constitutional amendment and 87 for the organic law. On neither occasion was there a dissent or abstention;⁷ the support was spread across all parties and groupings in the parliament.

Other steps to implement the Agreement

In the lead-up to both votes on the draft constitutional laws, considerable efforts were made to implement the first stage of the weapons disposal process. The Minister for Bougainville Affairs, Moi Avei, constantly emphasized the need for the Bougainville ex-combatants to convince the MPs that they were serious about restoring civil authority. That pressure from Avei was reinforced by the awareness among the ex-combatants that weapons disposal needed to proceed in any event if the constitutional laws were to come into operation. The ex-combatants responded well, and by the time of the second vote almost 1,000 weapons had been placed in containers, though something less than 200 of those were modern automatic weapons.

After the second vote, implementation of the weapons disposal process slowed considerably, although it has continued, with some 400 more weapons put into stage one containment by end of July 2002. There were several reasons for the slowdown, one of which had to do with the difficulties of keeping focus on weapons disposal during campaigning for the general election, the writs for which were issued in April, with voting in June.

Another factor concerned the arrangements for immunity from prosecution and pardon for those who could be, or had already been, charged with criminal offences committed in connection with the conflict. Immunity and pardon had been promised as long ago as the *Lincoln Agreement* of January 1998, a promise repeated in the *Peace Agreement*. In response to Lincoln some Bougainvillean

prisoners had been released from gaol, and prosecutions in relation to things done in the course of the conflict had ceased. However, as nothing further had been done to formalize the promises of immunity and pardon, some ex-combatants were now concerned that they might risk prosecution if they were to put their weapons into containment before details of immunity and pardon were made clear.

Under some pressure from Bougainville, negotiations between their officials and those of the national government began, at last, in early May 2002. After a series of negotiations and consultations, agreement was reached and late in July cabinet approved the text of a notice to be published in the *National Gazette*. In essence, it will provide immunity to all persons (Bougainvilleans and members of the security forces) who committed most kinds of offences (sexual offences are excluded) in some way connected with the Bougainville conflict between 1 October 1988 and 30 August 2001. Offences committed purely for personal motives will not be covered.

The completion of arrangements for immunity and pardon should result in pressure again being applied to the ex-combatants to complete stage two of the weapons disposal process – secure containment in double locked containers. Completion of stage two is now planned for about October 2002. If at that point the UNOMB verifies completion, the constitutional laws can be brought in.

In the meantime some steps towards establishing the autonomous government and transferring powers can be taken. First, the constitutional laws implementing the *Peace Agreement* recognize that initial steps towards the Bougainville constitution can be taken even before the laws come into operation. In particular, a Bougainville constitutional commission can be established to develop the draft constitution, and if so both that body and the draft constitution it produces can be recognized retrospectively when the laws come into operation. Taking advantage of this possibility, Bougainville leaders met in June and in July to make decisions on the composition and terms of reference for the proposed Bougainville Constitutional Commission, which is expected to begin work in August or September 2002.

At the same time, the *Agreement* provides for first steps in relation to transfers of powers and functions to be taken even before the autonomous government is established, through the delegation to the existing Bougainville provincial government authorities of powers under national laws in relation to the public servants and police officers working in Bougainville. Again, the Bougainville administration has made requests for such delegations of powers.

⁷ There are 109 seats in the Papua New Guinea parliament. Six were vacant at the time due to actions being taken against MPs under the Leadership Code of Conduct. Other MPs were absent on each occasion.

What other steps are taken in implementation of the *Agreement* during the second half of 2002 and in 2003, and the timetable for taking such steps, will depend largely upon the eventual date for completion of stage two of weapons disposal and the coming into operation of the constitutional laws implementing the *Agreement*. If those two things occur as planned in October 2002, then it would be possible to complete the proposed Bougainville constitution (through the work of a constituent assembly and formal approval by the national government of the final draft constitution) by some point in the first half of 2003, and to hold the election for the first autonomous government within a few months of that – perhaps as early as mid 2003.

A final aspect of implementation of the *Agreement* concerns the continued efforts being made among Bougainvilleans divided by the conflict to reconcile and unite. Semi-traditional reconciliation exercises are continuing in many parts of Bougainville, but major reconciliation efforts are probably going to be necessary in some areas over the few months from mid 2002 if stage two of weapons disposal is to be completed as planned. One aspect of reconciliation concerns Francis Ona and his supporters, who have remained outside the peace process since 1997. In mid 2002 there are hopeful signs that the differences between Ona and his former BRA and Bougainville Interim Government supporters involved in the peace process may soon be resolved. More generally, with criminal liability for acts committed as part of the conflict no longer an issue as a result of the amnesty arrangements, there is slowly increasing interest in establishing some form of truth and reconciliation commission to encourage broader progress to reconciliation, especially (but not only) in relation to the acts of violence committed by the Papua New Guinea security forces (Kabui 2002: 65).

The future of the peace process

There are, of course, uncertainties about the sustainability of the peace process generally, and more specifically concerning implementation of the *Peace Agreement*. Some of these have been discussed elsewhere (see Regan 2002a). Concerning the peace process, in post-conflict Bougainville there are many people well used to resorting to violence to resolve conflict, and there continue to be many deep divisions. While the dynamics that have been so central to the peace process remain powerful, widespread acceptance of norms that dictate against the use of violence will not necessarily be enough to prevent a return to violence. The hope among Bougainvillean leaders, however, is that the longer the peace process runs and the more widespread the commitment to

reconciliation, the greater the popular commitment to and sustainability of peace.

Further, the Bougainville negotiators envisaged the *Peace Agreement* providing a broad framework that would enable Bougainvilleans to deal with sources of division and conflict in new and creative ways, minimizing the risk of future violence. Not only do Bougainville leaders have a strong interest in ensuring that the *Agreement* is implemented, but there are also high expectations of the *Agreement* in Bougainville.

Clearly, then, if expectations are not met, because implementation of the arrangements is either blocked in Port Moresby or is not actively pursued there, it remains possible that conflict could again develop between Bougainville and the national government as well as within Bougainville. (Of course, it is also true that even if the *Agreement* is implemented in full conflict may still develop – for example, because there continues to be inequitable development in Bougainville that fuels division and conflict similar to that which developed in 1988, or simply because not enough is done to bring about reconciliation of present divisions in Bougainville. However, the initial hurdle is implementation of the *Agreement*, and so that is the focus of discussion here.)

Initially, it remains to be seen whether the commitment to implementing the *Agreement* so far being shown by the national government will continue. The bi-partisan support shown in the National Parliament for the constitutional amendments suggests that there is little risk of significant policy changes in relation to Bougainville after the 2002 elections. However, there are interest groups at the national level who have little sympathy for allocation of resources to Bougainville, or who oppose rapid implementation of autonomy there for fear that it will create destabilizing demands for similar arrangements in other parts of the country. Papua New Guinea may be facing severe fiscal crisis over the next several years, and the risk remains that Bougainville could become a matter of very low priority, opening the way for more influence on the part of those opposing autonomy for Bougainville.

It is also true that even if there is full commitment to implementing the laws, there may well be significant obstacles to be overcome. For a start, even the coming into operation of the laws is not certain, that being dependant on completion of stage two of the weapons disposal plan. If rapprochement with Ona does not proceed as expected and his armed supporters remain outside the weapons disposal process, there could be difficulties for both BRA and BRFF

elements in central and south Bougainville in completing stage two disposal to a degree that will enable the UNOMB to verify its completion.

Once the constitutional laws do come into operation, there are a number of potential concerns about implementation, especially in relation to autonomy. They include:

- the complexity of the arrangements and the necessity for ongoing negotiations about their implementation, coupled with the limited administrative capacity in both Port Moresby and Bougainville needed to make the arrangements operate as intended;
- the fiscal crisis which the national government is facing and the likelihood of competing pressures for special funding arrangements for other priorities (for example in relation to the conflict in the Southern Highlands) which can be expected to restrict national government ability to provide the funding needed for the autonomy arrangements to operate effectively;
- the weakness of the Bougainville economy, which severely limits the internal revenue base for the autonomous government;
- the limited administrative capacity in Bougainville to utilize the autonomy arrangements fully.

There are certainly dangers that autonomy may not work as well as anticipated. If it fails to meet the high expectations that have been generated there could be considerable frustration among Bougainvilleans, something that would increase the risk of renewed violence. In the early stages, the most severe pressures will probably come from the limited funding likely to be available. As a consequence, there may well be some pressure on donors, especially Australia and New Zealand, to assist.

Conclusion

The progress made in the Bougainville peace process in the nineteen months from January 2001 to July 2002, has been remarkable by any measure. The political negotiations moved from deadlock to signing of the *Bougainville Peace Agreement* in eight months, development and passing by parliament of complex constitutional legislation to implement the agreement was achieved in the following seven months, and implementation of a number of other key aspects of the Agreement has continued.

In the process, the two main dimensions of conflict and difference involved in the Bougainville conflict have been dramatically reduced. In terms of intra-

Bougainville divisions, while most groups had previously united behind the common Bougainville negotiating position in relation to referendum and autonomy, in January 2001 they were still deeply divided in relation to weapons disposal. Those differences were resolved by May 2001. In terms of divisions between Bougainville and Papua New Guinea, in January 2001 there were major divisions over all three main issues – referendum, autonomy and weapons disposal. All issues were resolved within eight months. More importantly, in the following months all sides of both sets of divisions have cooperated well in implementation of the Agreement, in the process further reducing division and promoting reconciliation across both dimensions of division. This progress has been all the more dramatic because so much of it has had to be achieved through still further negotiations.

The progress from January 2001 was built firmly on what had been achieved in earlier stages of the peace process, and in particular on a key dynamic of the process, the consensus among Bougainvilleans on the need to end violent conflict. Bougainvillean leaders then built their relationships with national government leadership elements committed to peace. Supported by substantial international interventions that provided key inputs (a secure environment, facilitation, and some mediation) they together built a workable peace process. Among the keys to the success of the process has been the pace and the inclusiveness of the process. While there has sometimes been frustration – especially in some national capitals in the region – at the slow pace of the process, in retrospect it has been important that the first two years (1997 to 1999) were focused on process rather than outcomes, for that provided the time needed to build communication and trust, and through that, commitment to the process. Without that time spent consolidating the process, it would have been extremely difficult to slowly deal with the deep divisions in positions on outcomes (political issues) in the following twenty-six months.

Finally, the peace process developing in Bougainville since 1997 offers challenges to widely held perceptions in Australia (and elsewhere in the neighbouring region) that the Southwest Pacific is becoming an 'arc of instability' where there is ever increasing and more generalised instability and chaos.

Of course, from 1988 the Bougainville conflict was an important contributor to such perceptions. More recent experience in Bougainville suggests, however, that dynamics have been generated in response to the chaos and instability of violent conflict which have contributed to the emergence of widely accepted norms that limit resort to violence to resolve problems. Such norms contribute

to a broadly held consensus on the need for peace, order and stability, something perhaps akin to the slow development of similar norms in other parts of the world that are often seen as being part of the development of the rule of law or of the emergence of civil society. Bougainville experience suggests that it may be necessary to take a long view of instability and chaos and their consequences, and perhaps to rethink some policies.

GUNS, MONEY AND POLITICS: DISORDER IN THE SOLOMON ISLANDS

Sinclair Dinnen

For many observers, the elections scheduled for late 2001 offered a possible circuit breaker to Solomon Islands' deepening political crisis. Behind the crisis lay four years of ethnic tensions, a *de facto* coup in June 2000, and a progressive collapse of the economy and, in many places, law and order. The incumbent Sogavare administration had come to power as a result of the coup instigated by an ethnically-based militia group, the Malaitan Eagle Force (MEF), and elements of the paramilitary police field force. As a result, it had little legitimacy in the eyes of many Solomon islanders and, moreover, appeared quite incapable of providing the leadership necessary to restore peace and stability. During its period in office, the economy had gone into free fall, with all major commercial enterprises suspended, and there was growing evidence of systematic corruption and plunder among political leaders, senior officials, and their militant associates. Since the coup, Honiara, the national capital on Guadalcanal, had been under the effective control of bands of armed militants. The police force remained deeply divided and was no longer able or willing to enforce the law.

Sadly, the new government formed after the December 2001 elections and led by Sir Allan Kemakeza has not lived up to expectations. It is made up of remnants of the Sogavare administration and includes several high-profile former members of the MEF. While there have been some signs of improvement, including in the critical area of disarmament, the national economy continues to verge on bankruptcy, essential services have ceased in many places, public servants go unpaid, and corruption and lack of security remain serious concerns. The Kemakeza government appears incapable of leading the Solomon Islands out of its current predicament and, in the view of many observers, there is a clear need for far greater engagement by the main regional players, notably Australia and New Zealand.

Background to the conflict

The deeper roots of the current crisis lie in the legacies of colonial rule, the performance of successive post-independence governments, and the impacts of more recent processes of globalization. As with Papua New Guinea and Vanuatu, the challenges of nation-building in such a diverse and fragmented environment are formidable. There is still little sense of unity binding the disparate communities scattered throughout the archipelago. Over eighty languages are spoken among a population of less than half a million people. The weak post-colonial state has little presence in the daily lives of most Solomon Islanders, the vast majority of whom are subsistence farmers in rural villages. Primary identities and allegiances remain implanted in language and kin-based associations rather than in abstracted notions of 'nation' and 'citizenship'.

The centralization of political power has been resisted actively at local levels since the beginning of colonial administration. In the period immediately preceding independence in 1978, several districts sought to loosen or sever ties with the political centre, including the well-known 'breakaway' movement in what is now Western Province (Bennett 1987: 327-330). The provincial government system established in 1981 did little to allay suspicions of central government in Honiara (Larmour 1985). Wealthier provinces continue to resent the meagre benefits received from central government in return for the substantial contribution they make to national revenues through logging and fishing.

When the national capital was relocated to Honiara after the Second World War, migrants were drawn to Guadalcanal from other parts of the country. Large numbers came from the densely populated and resource-poor island of Malaita. They were attracted by the prospect of employment in the plantations, in the government departments and businesses in Honiara, or, since 1997, in the Gold Ridge mine to the east of the capital. Resentment towards 'settlers' grew among Guadalcanal communities, often inflamed by opportunist local leaders. It has been most marked among those living in the least developed and least accessible parts of Guadalcanal, notably the Weather Coast in the south of the island. Malaitan settlers, in particular, are accused of being aggressive and insensitive to local *kastom* and are viewed by many to have prospered unfairly at the expense of indigenes.

These tensions are bound up with deeper anxieties about land, development, and identity, that are shared by most Solomon islanders. They have been aggravated

on Guadalcanal by the fact that customary land has been sold to outsiders. This has created enormous resentment among a younger generation of Guadalcanal people who have thereby been dispossessed of their inheritance. Rather than blaming those who sold the land, anger has been directed against the Malaitans who have bought, rented or squatted on land in north Guadalcanal. In December 1998, these grievances crystallized into indigenous demands for rent for the use of Honiara as the national capital, compensation for local people killed by settlers, plus restrictions on citizens from other provinces owning land on Guadalcanal (*Petition by the Indigenous People of Guadalcanal*, 1998).

Incompetent and corrupt governments have contributed to the legitimacy crisis of the post-colonial state. This manifests itself in growing levels of popular disenchantment with the formal political process and, in many provincial islands, in a spread of autonomy sentiments. Unemployment and limited economic opportunities are a major impediment to the aspirations of a young and rapidly growing population. The narrow economic base inherited from colonial times has meant a high level of dependence on the vagaries of international commodity markets. Low commodity prices, rising oil prices and the Asian financial crisis have all had adverse impacts in recent years and Solomon Islands is increasingly dependent on international development assistance and commercial loans.

The coup

Groups of young Guadalcanal men began stockpiling homemade and rehabilitated Second World War weapons as early as 1996 (Kabutaulaka 2001). Organized disturbances started in late 1998 and spread rapidly throughout rural parts of the island. Militant groups – known initially as the Guadalcanal Revolutionary Army (GRA) and later renamed the Isatabu Freedom Movement (IFM) – embarked on a violent campaign of harassment and intimidation, directed mainly against Malaitan settlers. Up to 20,000 people were displaced from their homes in rural Guadalcanal and forced to seek refuge in Honiara or return to their islands of origin. Violent confrontations occurred between the GRA/IFM and the Royal Solomon Islands Police (RSIP). In June 1999, the government declared a state of emergency in Guadalcanal.

In response to a request from the SI government, the Commonwealth sent former Fijian Prime Minister, Sitiveni Rabuka, as a special envoy to help conclude a peaceful resolution to the crisis on Guadalcanal. A series of peace agreements brokered by Rabuka committed the government to address the concerns of the rural Guadalcanal population and restrain police operations, and

called on the militant groups to disband, surrender their weapons, and return to their home villages. However, they failed to stem the spreading militancy.

With the IFM in effective control of rural Guadalcanal, Honiara became a Malaitan enclave. Another armed group – the Malaita Eagle Force (MEF) – emerged at the beginning of 2000. This group, with close links to the paramilitary police field force, claimed to represent the interests of displaced Malaitans and demanded substantial compensation for the lives of Malaitans killed by the IFM and for damage and destruction to their properties. The MEF had access to high-powered police weapons, uniforms and equipment, and began attacking and intimidating suspected IFM members and sympathizers in the Honiara area. With the security situation on Guadalcanal, particularly around Honiara, deteriorating rapidly, the SIAC (Solomon Islands Alliance for Change) government made a desperate plea for armed assistance from Australia and New Zealand. However, neither government was prepared to intervene and called upon the parties to devise appropriate local solutions.

On 5 June 2000, MEF militants, together with members of the paramilitary police field force, seized control of key installations in Honiara, including the well-stocked national armoury. Prime Minister Bartholomew Ulufa'alu was forced to resign and was replaced by the opposition leader, Manasseh Sogavare. Following this *de facto* coup, acts of intimidation and reprisals against civilians by militants increased. Honiara was under the control of an illegal 'joint operation' between the MEF and elements of the police. The new government was neither capable of challenging, nor inclined to challenge, the heavily armed militant group that had brought it to power. Attacks were launched by the joint operation against suspected IFM positions on the outskirts of the capital and an Australian-donated patrol boat was used to shell positions on the eastern shoreline. Homes and property belonging to those deemed opposed to the armed takeover were looted or destroyed. Vehicles were stolen and business houses intimidated. Honiara was effectively cut off from the rest of the country.

These events had a disastrous impact on the national economy. Operations were suspended at the Gold Ridge mine after the coup, as they had been earlier at Solomon Islands Plantations. Government revenue dropped dramatically. As the impact of events in Honiara sank in, shock turned to anger in many other parts of the country. There were reports of intimidation against Malaitans in the Western Province (SIBC 18 June 2000). These led to reprisals against non-Malaitans in Honiara, setting off a vicious cycle of retaliatory actions. There was also concern about possible spillover effects from Bougainville, which was emerging from a protracted civil war (see Regan, this volume). Members of the

Bougainville Revolutionary Army (BRA) were reported to be providing security in Choiseul and Western provinces against incursions by the MEF (*The National* [Papua New Guinea] 12 June 2000). Autonomy sentiments were re-ignited in several provinces.

The Sogavare government commenced its peacemaking efforts by paying S\$10 million to provincial and militant representatives from Malaita and Guadalcanal for a range of outstanding grievances on both sides. Dispensing large amounts of compensation was to become the central pillar of the government's peacemaking strategy. Compensation has a long history in parts of the Solomon Islands as a means of settling disputes between groups. Over the years it has been extended beyond the *kastom* context to a variety of non-traditional situations, including claims against the state (Akin 1999). In practice, it has become increasingly commercialized, with monetary payments replacing traditional items of wealth. This has opened up new opportunities for self-enrichment and abuse. While by no means the first government to employ this practice, the use of compensation by the Sogavare administration has contributed significantly to the disorder over the past two years.

The Townsville Peace Agreement

Having declined earlier requests for assistance by the Ulufa'alu government, reinvigorated efforts were made by Australia and New Zealand to bring the militant groups to the negotiating table. The immediate priority was to end the fighting between the militant groups. Talks brokered by the Australians resulted in the signing of a Ceasefire Agreement in August 2000. The next step was to conclude a substantive peace settlement between the combatants. Approximately 130 delegates were flown to an Australian military base in Townsville for this purpose. They included militant leaders, representatives from the various provincial authorities, and the national government. The Townsville Peace Agreement (TPA) was signed on 15 October 2000.

Under the provisions of the TPA, members of the police who had abandoned their posts to engage in militant activities were eligible to return to the force without fear of sanctions. An act of parliament was to provide a general amnesty to members of militant groups for criminal acts committed during the course of the 'ethnic crisis', as well as for any civil liability arising from such acts. In return, militants were to surrender all weapons and ammunition within thirty days of the signing of the agreement under the supervision of an International Peace Monitoring Team (IPMT). A Peace Monitoring Council was to be established 'to monitor, report on and enforce the terms of the

agreement'. Former combatants were to be repatriated to their home villages in Guadalcanal and Malaita and provided with counselling and rehabilitation services. The government was to seek international assistance to help recompense those who had suffered material loss as a result of the conflict.

The TPA succeeded in ending the fighting and its signing was greeted by spontaneous celebrations on the streets of Honiara. In retrospect, however, it did not provide a sustainable framework for the peace process and its shortcomings have become increasingly apparent with the passage of time. Its provisions reflected the views of the militant groups, in particular those of the more powerful and articulate MEF leadership. The voices of the wider Solomon Islands civil society, who had been the most active proponents of peace and moderation, were excluded. The provisions of the TPA assumed that the two militant groups were cohesive and structured bodies capable of fulfilling their obligations under the agreement. In reality, divisions had always existed in both entities based around loyalties to particular leaders, places of origin, language, kinship ties and so on. Harold Keke, a maverick Guadalcanal militant from the Weather Coast, refused to be a party to the agreement. Factionalism increased in both groups after the signing of the TPA. In the case of the former IFM, this degenerated, in some places, into armed feuds between rival leaders – who were often related to each other. The process of fragmentation hinted at the critical role of a more complex and dynamic local politics being played out beneath the rubric of ethnic tensions and discrete militant groups.

Under the TPA, the disarmament process was to be driven by the former militant groups themselves, rather than by an independent enforcement body. Weapons in the possession of the militants were to be handed over to their commanders and then placed under the control of unarmed members of the IPMT at selected sites in Guadalcanal and Malaita. The role of the IPMT, comprising 35 Australians and 14 New Zealanders, was to monitor and observe the disarmament process, rather than enforce it. The fragmentation of the militant groups complicated matters by dissolving the chains of command that were necessary to progress disarmament under the agreement.

While civil society groups had called for any amnesty provisions to be linked to a truth and reconciliation process, the TPA allowed those who had engaged in serious human rights abuses to escape any form of personal accountability. This failure to address issues of justice added greatly to the challenges of restoring the rule of law. It was hard to promote the authority of law when known criminals had been granted total immunity for the consequences of their actions. Likewise with the provisions allowing former militants to rejoin the police.

Many retained their illegally acquired weapons and maintained links with militants. Their presence, particularly among senior ranks, intimidated other officers and contributed to the continuing paralysis of the force. In the eyes of ordinary Solomon islanders, the police had become a tainted, partisan and corrupt institution.

The use of monetary compensation as the principal instrument for redressing grievances raised unrealistic expectations on the part of thousands of people affected by the conflict, generated further divisions between claimants, and provided ample opportunities for abuse. One of the most fundamental weaknesses of the TPA was that it sought to provide a single comprehensive settlement. By contrast, the Bougainville peace process has involved a rolling series of negotiations and agreements. The TPA constituted a static agreement that was incapable of adjusting to the rapidly changing circumstances on the ground. It was also premised on quite unrealistic assumptions about the capacity of the profoundly weak Solomon Islands state to implement its provisions.

The instrumentalization of disorder

A priority after the signing of the TPA was to disarm and demobilize former militants. Approximately 500 high-powered weapons, with ammunition, had been seized from police armouries by the MEF in the lead-up to the coup. While they possessed some automatic weapons, the IFM arsenal consisted largely of homemade and rehabilitated Second World War weapons. When the thirty-day deadline for surrendering weapons expired in mid November 2000, approximately 800, mainly homemade, guns had been handed in. The deadline was extended several times over the following year and a half. Disarmament was impeded by lack of an effective enforcement process. Former militants and others also appreciated the strategic value of the gun in an environment where law enforcement had effectively collapsed.

On the matter of demobilization, the government agreed to pay repatriation allowances in order to induce former militants to return to their villages of origin. Further payments were provided for accommodation and the hiring of vehicles and canoes. For some, repatriation schemes became an opportunity for making money. For example, many former militants who had been repatriated to Malaita simply turned around and returned to Honiara to collect further payments. By the end of April 2001, the government had reportedly paid out S\$40 million to ex-militants (*Pacnews* 1 March 2001). The manner in which these funds were distributed by ex-militant leaders generated further conflict, as

did rumours that some individuals and groups and were being paid more than others (*SIBC* 23 November 2000).

Another scheme to absorb ex-militants was their appointment as special constables, ostensibly to help in the restoration of law and order. Each special constable was put on the government payroll. Like the repatriation allowances, this scheme was highly susceptible to abuse. By the end of 2001, the number of, mainly Malaitan, special constables had grown to nearly 2000 and the scheme had become a major drain on scarce government resources. Ill-disciplined special constables with access to illegal weapons became a source of lawlessness in many areas. On several occasions Sogavare proposed that former militants become the nucleus of a new Solomon Islands Defence Force. This proposal met with vigorous opposition from many quarters and, fortunately, proceeded no further.

In the post-Townsville period, escalating lawlessness and the deteriorating economic situation became the outstanding concerns, surpassing the original ethnic tensions on which the TPA peace process was based. Honiara was the hub of growing disorder involving the activities of former militants, criminals, corrupt leaders and assorted opportunists. The line between ex-militants and criminals became blurred in practice. In view of the weakness of government and police, those with guns could act with impunity. Ministers, public servants and business people complained of regular harassment by ex-militants in respect of compensation demands (*SIBC* 7 October 2001). As the financial situation deteriorated, ex-militants began threatening bank staff who refused to accept government cheques (*SIBC* 1 February 2001). The practice of demanding compensation on the slightest pretext was widespread and often amounted to little more than criminal extortion.

While these problems were concentrated in Honiara, the dispersal of former militants and guns was followed by an increase in criminality and banditry in many rural areas, particularly in Guadalcanal and Malaita.

The Peace Monitoring Council attempted to initiate a review of the TPA in September 2001 (*Radio Australia* 14 September 2001). This had to include the parties to the initial agreement. A notable irony was that the review process entailed reconstituting the original militant entities that had, in large part, dispersed and disbanded in the period since the TPA was signed. In the event, the review was suspended after the former IFM delegation withdrew following the brutal murder of one of their ex-commanders (*Pacnews* 24 September 2001).

Funding the increasingly corrupted compensation process was a major challenge. More than 50 per cent of compensation claims were fraudulent, according to the acting auditor general (*SIBC* 12 July 2001). With little prospect of assistance from donors, the government negotiated a large commercial loan from a private Taiwanese bank (*Sydney Morning Herald* 10 April 2001). Shortly after the arrival of the first tranche, the deputy prime minister, Sir Allan Kemakeza, and his permanent secretary were accused of allocating themselves payments of SI\$800,000 and SI\$700,000 respectively for properties allegedly destroyed during the conflict (*SIBC* 26 July 2001). Both were dismissed for misleading cabinet and having 'serious, personal vested interests' in the compensation scheme. At the same time, the administration was granting generous duty remissions and tax exemptions to selected individuals and businesses. This was a way of rewarding supporters, repaying political debts, and compromising potential critics. It was also a response to intimidation and threats, and a way of buying off the more troublesome ex-militant leaders. Despite the acute financial crisis, millions of dollars of national revenue were foregone in remissions on cigarettes and beer imports (*SIBC* 18 July 2001).

While these developments were taking place, other parts of the country were suffering the consequences of the prolonged crisis at the political centre. Health and other provincial grants had fallen into serious arrears. Public sector unions, representing around 8000 members, threatened a nationwide strike unless they received their pay and unless all duty remissions were cancelled (*Radio Australia* 7 September 2001). Provincial premiers issued a joint communiqué in August 2001 claiming that the central government owed the provinces and Honiara City Council more than SI\$16,800,000 in grants and arrears. The already fragile character of national unity was threatened further by growing pressures for autonomy in several island provinces.

The Kemakeza government – continuing decline

The overwhelming desire for change on the part of ordinary voters was reflected in the December 2001 election results. Only 18 sitting members of the 50-seat national parliament were returned. Unfortunately the post-election process of government formation was less susceptible to the weight of public opinion. The civil society network alleged that large sums of money were offered to the 32 new members to back particular candidates for the position of prime minister (*PINA Nius Online* 16 December 2001). Sir Allan Kemakeza's People's Alliance Party (PAP) emerged as the largest coalition, with 20 seats. Ousted Prime Minister Ulufa'alu's Solomon Islands Alliance for Change (SIAC) won

12 seats. However, amid rumours that there would be another coup if Ulufa'alu returned to power, SIAC changed their nomination for prime minister to Pattison Oti. Ulufa'alu promptly withdrew from SIAC, taking 6 Liberal Party members with him, thereby scuttling SIAC's chances of resuming office. Sir Allan Kemakeza was declared prime minister on 17 December 2001.

Many Solomon Islanders greeted the announcement of the composition of the 'new' government with dismay. Kemakeza had been discredited and eventually sacked for his handling of the compensation scheme as a minister in the Sogavare administration, and was known to have close links to the MEF. Snyder Rini, who had been Sogavare's Finance minister and had approved up to SI\$80 million in duty remissions (*SIBC* 15 December 2001), became the new deputy prime minister. In addition, a number of former MEF leaders were appointed as ministers, raising the spectre of deepening collusion between government leaders and militant elements. They included former member of the MEF supreme council and Honiara businessman, Alex Bartlett, who was appointed foreign minister. The post of minister for Police, National Security and Justice was given to another former militant, Benjamin Una. He had previously commanded one of the Australian-donated patrol boats used to attack Guadalcanal positions after the coup. Another ex-militant, Daniel Fa'afauna, was appointed minister for Economic Reform and Structural Adjustment.

The policy priorities of the new administration were the restoration of law and order and revival of the economy (*Sydney Morning Herald* 18 December 2001). These were also the conditions for securing much-needed international development assistance. On the law and order front, this meant getting the police force working again. Initial signs were not promising. No arrests had been made for a number of outstanding crimes, despite the fact that the identity of the suspects was common knowledge. These included the alleged killers of the former IFM leader, Selwyn Saki, whose murder had derailed the review of the TPA. They also included the person responsible for killing a New Zealand consultant in Honiara in mid-February (*Solomon Star* 13 February 2002). Prime Minister Kemakeza approached the Australian and New Zealand governments requesting overseas police to work alongside SI officers (*PINA Nius Online* 24 March 2002). Australia declined but has continued its institutional strengthening with the Solomon Islands police, using advisers rather than officers in line positions. New Zealand has agreed recently to send ten officers to work with local police (*SIBC* 19 August 2002), while the United Kingdom government will provide a replacement for the current police commissioner when his contract expires later in the year.

At the beginning of 2002 several incidents involving Bougainvillean gunmen were reported from Western province, including a spectacular shooting spree in Gizo township (*Solomon Star* 4 February 2002). In late February, two Malaitan special constables were allegedly killed by Bougainvilleans in Noro, Western Province. This immediately led to retaliatory acts by Malaitan ex-militants against Westerners in Honiara. Matters relating to the presence of Bougainvilleans in the Western Province, and also of Solomon Islanders in Bougainville, are now the subject of border talks between authorities in Honiara and Port Moresby (*PINA Nius Online* 6 March 2002).

The latest, and ostensibly the final, deadline for the surrendering of weapons under the TPA expired on 31 May 2002 and, according to the Peace Monitoring Council, resulted in the surrender of more guns and ammunition than any of its predecessors. While no exact or reliable figures are available, the weapons surrendered included a number of high-powered weapons. The majority of weapons originally stolen from police armouries, however, remain at large (*SIBC* 11 June 2002). The Australian-led IPMT has been phased out, with Australian assistance now being directed at strengthening the Peace Monitoring Council (*PacNews* 22 February 2002). The rationale for the withdrawal was that the IPMT has fulfilled its monitoring mandate under the Townsville Peace Agreement.

Several meetings were held between a senior government envoy and the maverick Guadalcanal leader Harold Keke on the Weather Coast earlier in the year. There had been promising indications that Keke and his Guadalcanal Liberation Front (GLF) were preparing to enter the peace process that they had hitherto rejected. However, this progress came to a sudden halt after the 'massacre' of ten Malaitans who had travelled to the Weather Coast in early June in order to capture or kill Keke (*Pacific Islands Report* 28 June 2002). The exact details of what happened, including the identity of the parties behind the raid, remain unclear, although the killings have been confirmed. Keke has become a ruthless and unpredictable warlord and his Weather Coast territory has become a no-go zone for outsiders, including the police and other government representatives. His latest outrage was the brutal murder in August of a government minister and member for the South Guadalcanal constituency, Father Augustine Geve. Keke has claimed that Father Geve was killed because he had misused funds intended for his constituency (*PINA Nius Online* 23 August 2002). Keke's reign of terror in south Guadalcanal constitutes a major obstacle to peace, and continues to impede the disarmament process. Following Geve's murder, the Police minister appealed to Australia and New Zealand for assistance in apprehending Keke (*PacNews* 27 August 2002).

Although much remains to be done in the area of reconciliation, several key players in the events of June 2000 have made gestures in this direction. Andrew Nori, the former MEF spokesperson, hosted a reconciliation ceremony with some of the members of the former SIAC government that he had helped oust from office (*Solomon Star* 12 February 2002). Foreign Minister Alex Bartlett, a former member of the MEF supreme council, has apologized in parliament for his role in the conflict and expressed his willingness to engage in the reconciliation process (*SIBC* 5 April 02). While understandably greeted with extreme scepticism in many quarters, these gestures might prompt other players to review their personal roles in the events of the past few years. Attempts at reconciliation and peace-building at the grassroots level have been more low-key and have been facilitated by churches, women's groups and community leaders. The Melanesian Brothers, who were courageous agents of peace during the conflict, have continued their role in the area of reconciliation.

In addition to law and order and the peace process, the other major focus of government attention has been the economy. By the beginning of the year, public debt had reached critical levels with rapidly diminishing foreign reserves and a total outstanding debt burden of SI\$1.3 billion (*Solomon Star* 30 July 2002). Immediately after the elections, Kemakeza announced his intention of reducing the government payroll from SI\$200 million to SI\$150 million though details on how this was to be achieved remained vague. A visiting mission from the World Bank, Asian Development Bank, and the International Monetary Fund, made clear their unwillingness to provide further funds until the Solomon Islands had settled outstanding arrears (*Solomon Star* 15 March 2002). Finance Minister Michael Maina introduced a tight budget in March that was, among other things, designed to address the immediate concerns of the multilateral agencies and donor community. He also caught everyone off guard by simultaneously announcing an immediate 25 per cent devaluation of the SI dollar. While this move received support from the Central Bank, it split the Kemakeza cabinet. Strongest opposition came from Snyder Rini and his group of independents who formed the largest bloc in the government. Under mounting political pressure, Kemakeza sacked Maina and the devaluation was subsequently revoked (*PINA Nius Online* 4 April 2002). More recently, Maina's replacement has proposed replacing the SI dollar with Australian currency, despite being advised against this by the International Monetary Fund (*Pacnews* 29 August 2002).

As the economic situation has deteriorated, the government has become more desperate to raise revenue and cut expenditure. In the first six months of 2002,

it had allegedly overspent by SI\$28 million dollars on salaries and wages alone (*PINA Nius Online* 31 July 2002). Attempts to reduce spending by proposing the termination of 1,300 public servants has met with strong opposition from the trade unions (*PINA Nius Online* 30 July 2002). Teachers, medical staff, airport employees and others have resorted to rolling strikes in protest over non-payment of wages. Amid rumours that the final tranche of the Taiwanese loan to pay compensation had arrived, claimants laid siege to the Treasury offices and razor wire has now been erected around key government offices (*SIBC* 5 August 2002).

A number of ill-conceived fund-raising schemes have been proposed and then abandoned in the face of strong opposition. For example, in April reports surfaced that the government was considering selling 80 per cent of equity in the Solomon Islands Development Bank to Melbourne-based company, ACC-AMCO (*SIBC* 11 April 2002). A year earlier, an adviser to the Sogavare government had signed a memorandum of agreement with AMCO that would have provided the company with extensive rights to engage in mining, tourism, logging, fishing, banking, printing, and a range of service activities. The agreement did not proceed after the Central Bank cast doubts on the company's credentials. The adviser in question had since become minister for Commerce in the Kemakeza government and was lobbying vigorously on behalf of the company. The planned sale was eventually shelved as a result of vigorous opposition by, among others, the board of the Development Bank (*Solomon Star* 23 April 2002).

Even more controversial was the proposal to dump toxic waste from Taiwan on the island of Makira. This was another scheme carried over from the Sogavare administration (*PINA Nius Online* 7 February 2002). It aroused immediate opposition from a range of groups, including senior public servants, opposition politicians, community groups, and local and international environmental groups. After considerable wavering, Prime Minister Kemakeza announced that his government was opposed to any form of toxic dumping in the Solomon Islands (*SICA Press Release* 18 June 2002). There have also been allegations that a Taiwan-based company has been selling Solomon Islands passports in Asia (*SIBC* 11 May 2002).

In retrospect, the high expectations in the lead-up to the 2001 election appear to have been misplaced. Ousting the discredited and compromised Sogavare administration was by no means the sole issue. The more daunting political challenge was to put in place a government capable of providing firm and independent leadership. This required severing the hold that certain parties to

the 2000 coup had been able to exercise over Sogavare and his ministerial colleagues and that had contributed in significant ways to the deepening political and economic crisis. The composition of the newly-formed government suggested that this was unlikely to happen and subsequent developments have borne this out. There has been a reluctance to take hard decisions and a readiness to follow the path of least resistance. The coercive arm of the state – the police force – remains incapacitated and serious crimes, including murder, go unpunished. In large parts of rural Guadalcanal, the rule of law has effectively collapsed and been replaced by brutal family feuds waged between former ethnic allies. As funds for wages and services dry up, the arrival of compensation from Taiwan generates a feeding frenzy among claimants (genuine and bogus) and inevitably leads to further divisions and conflict. Disenchantment with the formal political process has now reached dangerous new levels.

CONVERGING ON THE ARC OF INSTABILITY? THE FALL OF BARAK SOPE AND THE SPECTRE OF A COUP IN VANUATU

Michael Morgan⁸

The constitutional crisis which erupted in Vanuatu in May 2001 initially prompted fears that Vanuatu might follow the examples of the Solomon Islands and Fiji and descend into social unrest, and possibly violent conflict. The greater danger was that the ailing administration of Barak Tame Sope Mau'utamate would mobilize the Vanuatu Mobile Force (VMF) to consolidate its hold on power.

The crisis was triggered by an attempted motion of no confidence in Prime Minister Barak Sope, authored jointly by the Vanua'aku Pati (VP) and Sope's former coalition partner, the Union of Moderate Parties (UMP). The pressing issue for the Vanua'aku Pati was the country's worsening financial situation, especially in light of a clandestine deal between Sope and Indian Thai businessman Amerendra Nath Ghosh, involving the issue of \$US300 million from the Reserve Bank. The UMP had defected to the opposition in the month before the commencement of the parliamentary session. For almost two months during its scheduled first session for 2001 the Vanuatu Parliament was incapacitated because the Speaker, Paul Ren Tari, refused to allow debate on the motion. The Vanuatu Supreme Court upheld the validity of the motion, but Sope claimed that his coalition was the victim of foreign interference and a political conspiracy between the government and the state law offices that culminated in a 'libellous' motion of no confidence. Throughout, Sope and his allies maintained pressure on VP and UMP backbenchers in the hope of inducing defections by marginalized MPs for whom personal allegiance might be considered a tradable commodity. Despite consistent pressure, the government of Edward Natapei emerged victorious from the constitutional crisis and Vanuatu remained peaceful, although the events set in train a year of further political manoeuvring which culminated in the arrest and conviction of Sope on charges of forgery and the intervention of elements of the police and the VMF in national politics.

⁸ I would like to thank Daniel Oakman, Jenny Brown, Donald Denoon and Ron May for their comments on drafts of this paper.

Since 1988 political stability in Vanuatu has been challenged regularly, but the country has neither yielded to violent conflict nor suffered an effective *coup d'état*, despite the predictions of policy analysts and regional journalists. Nonetheless, since the beginning of 2001 government performance has been undermined by political flux and ongoing disquiet amongst the disciplined forces. Beginning with the constitutional crisis of March-April 2001, this paper addresses recent unrest in Vanuatu against the backdrop of domestic political manoeuvring, poor economic performance, pressure for reform and the spectre of a coup. It argues that despite the volatile nature of recent events in Vanuatu, which is seen increasingly as part of the arc of instability, the coalition government of Edward Natapei has successfully countered dissident internal forces.

The trigger

In the weeks before the first ordinary sitting of parliament for 2001 was scheduled to begin, a split emerged in the coalition government of Barak Sope. In early March the government's second largest faction, the UMP, defected to the opposition. UMP President Serge Vohor claimed that his party had been marginalized by Sope's administration: in particular, the UMP's policies on education were being ignored, and Sope had been unable to address the global drop in copra prices which severely affected the UMP's mainly rural constituents. Their concerns about the policies of the coalition leadership exacerbated the feeling that the UMP was not adequately represented in the Council of Ministers. When Vohor demanded a cabinet reshuffle to rectify this, Sope refused (*Trading Post* 28 March 2001). The situation was made more galling to the UMP executive because it had agreed not to run candidates against their coalition partners in the Santo by-election in February 2001. All member parties in the coalition government had agreed to back the National United Party (NUP) candidate, Leo Tamata, after the death of the incumbent NUP MP, Anas Tinwako. Having maintained coalition unity to assure representation for the NUP, but refused increased representation for his own party, Vohor canvassed his options.

In early March, without consulting the UMP (or the attorney general), Sope signed an agreement with the Italian company, Volani, to develop a cattle project on Santo for a reported vt424 million (\$US2.9 million). Santo is the heartland of the UMP. Vohor was backing the rival Mondragon Group's bid to develop the Big Bay area. It has been claimed that Mondragon donated

\$US150,000 to the UMP. Although the UMP lost two MPs during the defection, Sope's parliamentary majority evaporated.⁹

The motion

The parliament was scheduled to commence its first ordinary session on 26 March 2001, but it was delayed by a walkout by Vanua'aku Pati members, ostensibly in protest over the railroading of legislation to expedite voter registration for the upcoming Municipal Elections for Port Vila. On 26 March the UMP formally defected and the government was forced to withdraw all its bills. The defection set in train events that would incapacitate the first ordinary session for 2001 through boycotts, walkouts and court cases.

While no government bills were addressed during the sitting, four private members' bills were put before the house for consideration. Primary amongst these was the motion of no confidence in Prime Minister Sope, signed by the 27 VP and UMP MPs. Tari and his deputies were also targeted for motions of no confidence, although the standing orders make no provisions for censuring the speaker.

A motion of no confidence is usually a straightforward affair, simply stating that the majority of members has lost faith in the capacity of the prime minister. However, the motion in question included details of Sope's involvement in three major financial scandals during his parliamentary career – two of which would have extended Vanuatu's already sizeable external debt and emasculated the economy – and asserted an improper relationship between Sope's administration and Dinh Van Than, the naturalized Vietnamese businessman who is the president of the NUP. The speaker of the parliament, NUP MP for Maewo, Paul Ren Tari, refused to allow debate on the motion. Observers believed that the motion was a tactical blunder, allowing Sope to instigate defamation proceedings against its 27 signatories. However, the Supreme Court upheld its validity, stating that because none of the charges had been aired in public, the motion was protected by parliamentary privilege.

When it became clear that he had lost his parliamentary majority, Sope announced that the Council of Ministers would advise the president to dissolve parliament. Sope promised to resign if the president refused. Despite the expectation amongst the NUP executive – and the Council of Ministers – that President John Bani would vote according to the party's directives (Bani was a

⁹ Paul Telukluk (Malakula) joined the Grin Pati [Green Party]. Irene Bongnaim (Ambrym) joined the Vanuatu Republican Party of former prime minister Maxime Carlot Korman.

founding member of the NUP), the president refused to dissolve parliament and instead followed the advice of the State Law Office. Sope refused to resign.

Immediately, the VP executive requested Chief Justice Vincent Lunapek to allow parliament to be reconvened to consider the motion of no confidence and elect a new government (*Trading Post* 4 April 2001). On Friday 6 April Lunapek ruled that the speaker had acted improperly and ordered him to recall parliament to consider the motion (Supreme Court of Vanuatu 2001). When parliament reconvened, the speaker delayed the tabling of the motion, pending corrections and amendments, despite the fact that his office and the Office of the Clerk had already approved the motion for passage through the house, before its introduction. Only when it was made clear to Tari that if he went to gaol on contempt charges he could no longer be a member of parliament did he apologize to the court and agree to recall the house. At 7 p.m. on 13 April, heavily guarded by police, Tari reconvened parliament and, following a government walkout, Edward Natapei, the president of the VP, was voted in as prime minister.

When parliament met again on 7 May, Tari suspended six members of the new government, including Prime Minister Natapei and Deputy Prime Minister Serge Vohor, for breaches of the standing orders and the constitution. The remaining twenty-one government MPs walked out in solidarity. The speaker claimed that by taking him to court in April the government MPs had breached standing orders and the constitution, but the Supreme Court again overturned his ruling. Once again he was directed to reconvene parliament, or face charges of contempt and a six-month gaol sentence. Undaunted, on Monday 14 May the speaker (who possessed the only key to the parliamentary chamber) failed to appear. Further, Tari made several public comments against the judiciary and the new government, and openly sided with Sope's regime. Despite being informed of their obligations by the State Law Office, Tari's deputies refused to help open the chamber. Access to the house was gained when a ladder was lowered from the Public Gallery.

That evening Natapei, on the advice of the attorney general, directed the police to arrest the speaker and his two deputies, Irene Bongnaim and Henry Yauko. They were apprehended early next morning – the speaker at the residence of Barak Sope. Despite strong criticisms from Sope and the opposition, parliament elected a new speaker, MP for Efate and former prime minister, Donald Kalpokas Masikevanua. The new government came to power with a majority of one (26-25) in the 52-seat parliament.

During the turmoil of 2001 Sope and his allies probed the VP and UMP backbenches for weaknesses. Rumours surfaced that Sope had won back power and that the VP, supposedly wracked by internal divisions, had disintegrated. Simultaneously, several backbenchers were targeted for bribes. Foster Rakom, a Francophone VP MP from Mele, claimed that he had been approached by one of Dinh Van Than's lieutenants who offered vt5 million, a ministerial portfolio, and the completion of a community church house if he would join Sope (*Trading Post* 30 March 2001). Rakom was not expected to be re-elected in 2002 and he stood to gain considerably by defecting. (Rakom's bid for re-election in the May 2002 elections was unsuccessful). To avoid confrontation in Port Vila, and ensure that no backbenchers were tempted, the VP relocated its headquarters to the relative safety of Donald Kalpokas's community, Lelepa. There were no defections.

Nevertheless the VP/UMP did not ignore pressures from their own marginalized members. In mid April it appeared that Kora Maki, the UMP member for Epi, might defect and support a motion of no confidence. Maki received significant funding for his 1998 election campaign from Willie Jimmy (NUP). (Jimmy was a faction leader in the UMP until his defection to the NUP in February 2001). The same week, Sope claimed that Luganville MP George Wells (VP) had requested vt8 million (\$US 54,000) backing for his 2002 re-election campaign to defect to the MPP. Wells publicly denied the allegation, but later that day it was revealed that the VP executive had decided not to pre-select Wells as VP candidate for Luganville for the March 2002 elections. (The party subsequently rescinded this decision). When Kalpokas was installed as speaker, Kora Maki became his deputy speaker and George Wells the second deputy speaker.

What motivated Tari in April and May 2001 remains obscure. His understanding of the laws and regulations of the parliament and of the principle of the separation of powers under Vanuatu's Westminster-style government was queried throughout the crisis. In his April judgement, Chief Justice Lunapek noted that the 'interpretation of the constitution ... is self-evidently ... entrusted to the Court by the people of this country through the Constitution' (Supreme Court 2001). Tari's lawyer, John Malcolm, conceded during the April court case that the speaker had erred when he dismissed the motion of no confidence. Yet for two months after the case Tari stated that the courts had no right to bully him because parliamentary privilege protected him. A week after the trial Tari's counsel terminated his relationship with his client, stating, 'our client has refused to listen to our advice' (*Trading Post* 14 April 2001). When the Supreme Court finally heard the sedition charges against the three speakers in December 2001, Justice Coventry dismissed the case, ruling that at the time of

their arrest they were covered by Article 27 of the constitution because parliament was still in session, but he cautioned them against abusing their privileges.¹⁰ In his judgement, Coventry noted that parliamentary privilege 'does not mean that a person can do what they like...without people having recourse to the court' (*Trading Post* 1 December 2001).

Financial crisis

The VP predicated the ouster of Sope on the latter's involvement in clandestine financial schemes, in particular the agreement with Amerendra Nath Ghosh. Ghosh had arrived in Port Vila in February 2000 with what was described as 'possibly the world's largest ruby', which he intended to 'donate' to the people of Vanuatu. He promised to initiate a project to seal the road around Efate, build a walled complex for the Council of Ministers, and negotiate with foreign consortia to build a new international airport (*Nasara* 14 April 2001). Ghosh reputedly was awarded an honorary consulship for Laos and the ambassadorship in Thailand (*Radio Vanuatu* 19 April 2001). He also claimed to have been given petroleum and mineral exploration and fishing rights, royalty free. In return for the ruby, it was reported that Ghosh was to receive \$US300 million in bearer bonds from the Reserve Bank. This was equal to 140 per cent of Vanuatu's gross domestic product, and had Sope issued the bonds, Vanuatu's external debt would have quadrupled (*Australian Financial Review* 26 February 2001).

Sope claimed that revenue generated by the government's joint ventures with Ghosh would be used to settle outstanding debts with the police and VMF and fully compensate people for losses incurred during the Santo Rebellion in 1980. In October 2000 he made the first payment to the police, reputedly from these earnings. At the time, the acting police commissioner, Arthur Caulton, averred that this marked a turning point in relations between the police and the government, but great uncertainty remained (*Trading Post* 8 September 2001). Natapei now claims that the payment was made from savings in the recurrent police budget of 1999, accrued under the Kalpokas administration (March 1998–November 1999). Both the police and VMF maintain that the government's debt to them is yet to be fully acquitted.

The Ghosh affair refocused attention on Sope's involvement in a succession of potentially disastrous financial deals. Sope was centrally involved in the 1996 Swanson deal, when as Finance minister he had approved the issue of promissory notes for tens of millions of dollars to an Australian businessman,

¹⁰ It states: 'No member of Parliament may be arrested, detained, prosecuted or proceeded against in respect of opinions given or votes cast by him in Parliament in the exercise of his office' (*Constitution*, Art.27, Sect.1).

Peter Swanson. Swanson had guaranteed a 250 per cent profit on their issue. On advice from Scotland Yard, Prime Minister Korman annulled the deal and had Swanson arrested (Swanson was released after three months by presidential pardon). Also in 1996 he had forced the Vanuatu National Provident Fund to transfer vt27 million (\$US180,000) to the Brisbane-based Cybank Internet banking company, none of which was recovered.

In March 2001 a report to the US Permanent Committee on Investigations had named Vanuatu as an international money-laundering centre. While international focus was on the regulation of Vanuatu's economy, Natapei mounted an attack on Sope's personal record as an economic manager. During his tenure as minister of Finance between 1996 and 1997, Sope had failed to provide a development budget or an annual budget. While Sope claimed to have reduced his country's debt by vt2.5 billion (\$US170 million), much of the debt reduction actually came about because of the agreement by the Chinese government to write-off several loans – including that which had paid for the parliament house – and grant a new vt380 million (\$US2.7 million) soft loan. Natapei claimed that when Sope's coalition took office in 1999 there was approximately vt200 million (\$US1.4 million) in reserve. The Natapei government is currently working with a monthly overdraft of vt400 million (\$US2.8 million). VP Finance Minister Joe Carlo revealed that the government would be looking for other alternatives to maintain the cash flow until the end of 2001. The former government had taken steps to reform the Vanuatu taxation system with the intention of improving the government's revenue base, particularly by the approval of a gambling bill, which was calculated to yield over vt240 million (\$US1.6 million) per month; to date no revenue has eventuated (*Radio Vanuatu* 21 May 2001).

Sope's maverick management style was only partially to blame for Vanuatu's precarious economic situation. The cash-flow problems that Natapei highlighted resulted primarily from declining revenue and lack of economic stimulus, although Sope's overspending undeniably reduced confidence. Lack of government coordination with private enterprises, entrenched political instability, declining customs and taxation revenues, and poor global prices for Vanuatu's cash crops, have all contributed to the weakening of the economy. Donors have highlighted Vanuatu's narrow revenue base – which relies heavily on tourism, agriculture and financial services – as an area for immediate reform. The emphasis in the ADB's most recent economic review, undertaken in 2001, was to, 'quickly commercialise agriculture and fisheries ... promote foreign investment in plantation forestry in order to boost economic growth' and consider the possibility of exploring options for mining (ADB 2001: 3).

Statistics for the first half of 2002 confirmed a decline in agricultural production and exports as well as a decline in tourist arrivals, compounding the negative economic growth in 2001 (DFAT 2002). The challenge to investor confidence which Sope's leadership style entailed obscured how deeply rooted Vanuatu's economic woes were, but the vigour of national political manoeuvring distracted from long-term policy considerations.

Sope's political rhetoric was loaded with references to the damage that the Comprehensive Reform Programme (CRP) (the structural adjustment programme sponsored by the Asian Development Bank), was doing to Vanuatu. At its inception in 1997, Sope had stated that the CRP would cause suffering to the people of Vanuatu (*Trading Post* 17 September 1997), although in office he was forced to grant the project tacit support. By May 2001 Sope had distilled his sentiments further. The CRP, he stated, 'only serves the interests of Australia and New Zealand. Over 70 foreign advisers are here under the CRP and they are all paid by the Vanuatu government under the ADB loan ... it is ridiculous' (*Trading Post* 19 May 2001). Apprehension that Vanuatu's sovereignty might have been jeopardized by the CRP has been fuelled by sketchy reports of the negative impact of the structural adjustment programme in Papua New Guinea, and has been an enduring theme in political rhetoric in Vanuatu since 1997. Although Natapei has vowed to adhere to the CRP in view of the poor financial position of the country, comments from senior members of his administration about the dominant role of foreign advisers in the programme have become more pronounced. Minister for Foreign Affairs Jean Alain Mahe (UMP) noted that Vanuatu's financial difficulties are compounded by the 'policy of austerity translated by the implementation of the CRP mainly advised by Australian consultants' (*Trading Post* 25 August 2001).

Despite his reaffirmation of support for the CRP, Natapei has proposed a much shorter list of achievable reforms and has posited a much greater emphasis on grassroots people. There is a growing criticism of the effects of Westminster democracy in Vanuatu, which may affect the CRP's implementation, despite transparent domestic support for reform. The call for more home grown strategies and systems to be adopted has been fuelled by the perceived failures of the democratic state. For example, the director of the Pacific Resources Concerns Centre in Suva, Hilda Lini (a former national parliamentarian), has called on Melanesian women to renounce the 'western response to the Melanesian state of conflict' and design a new philosophy to guide the people of Vanuatu. Democracy, she stated, 'will continue to corrupt Melanesia resulting in the continuous uncontrolled crime, violence and poverty' (*Port Vila Presse* 20 October 2001). Fuelling these sentiments, Sope attempted to position himself as

the 'authentic' voice of grassroots Vanuatu, but Natapei guaranteed that his administration's reformist policies (which are consistent with the CRP) would not compromise Vanuatu's autonomy and would ensure that bogus deals such as the one Sope had entered into with Ghosh will not jeopardize Vanuatu's weak economy in the future.

The spectre of a coup

While events in Vanuatu's fractious political history (starting with the Santo rebellion in 1980) have often generated muted bemusement in the region, Vanuatu is haunted by the spectres of a coup and/or ethnic disintegration.¹¹ The tragic outbreak of ethnic violence which occasioned the collapse of the state in the Solomon Islands in 1998-2000, continuing social unrest in Papua New Guinea, and the ethnically-motivated coups in Fiji in 1987 and 2000 have inspired observers to place Vanuatu on a shared trajectory of social disintegration with its Melanesian neighbours (see Reilly 2000; Maher 2000).

The *Trading Post* reported that on 13 April 2001 – the night that the motion of no confidence was finally debated – Sope and Internal Affairs Minister Barnabus Tabi (NUP, Pentecost) had approached the acting police commissioner, Arthur Caulton, requesting him to enact emergency powers in the light of the political turmoil and constitutional crisis, and to declare martial law until further notice (*Trading Post* 18 April 2001). Acting Commissioner Caulton refused the request because the political situation did not warrant a state of emergency and no critical law and order problem was apparent. Sope's attempt to use the police to entrench his position raised fears that a coup was imminent. Despite strong links between Sope's Melanesian Progressive Party deputy, Sato Kilman¹² and the Vanuatu Mobile Force (VMF), the VMF and police remained neutral. In part, this might be traced to the circumstances surrounding the abduction of President Jean Marie Leye Lenelcau by VMF officers in 1996. After striking for several weeks without success, VMF officers had flown the president to Malekula to meet Sope, who was then the Finance minister. The VMF was at the time claiming \$US980,000 in outstanding allowances. Sope promised both an amnesty for the leaders of the 'industrial coup' and the payment of outstanding allowances, but his failure to fully

¹¹ Barak Sope first attempted to seize power in 1988 when he was sworn in as interim prime minister by then President Ati George Sokomanu (Sope's uncle) after Sokomanu had dissolved parliament. Sokomanu, Sope and their co-conspirators were arrested on charges of mutiny and seditious conspiracy, although the charges were overturned on the grounds of mistrial and insufficient evidence. A similar unsuccessful attempt at political *coup d'état* was mounted in 1995 by Fr Walter Lini and Serge Vohor (see Ambrose 1996).

¹² Kilman is a former commanding officer of the VMF. In the aftermath of the constitutional crisis in May, Kilman (MP for Malekula) broke away to form the People's Progressive Party.

account for his earlier promises has undermined any residual allegiances he might have had with VMF officers.¹³

Throughout the constitutional crisis, Sope attempted to position himself as the authentic voice of grassroots niVanuatu. He claimed that he had been ousted by a political conspiracy implicating foreign diplomatic missions and senior VP/UMP coalition ministers. His deputy, Willy Jimmy, drew attention to the fact that the public prosecutor, who had issued the warrant for the arrest of the speaker and his deputies, is married to Natapei's minister of Health, Clement Leo (*Trading Post* 19 May 2001). When Sope's supporters suggested forcibly reinstating the speaker and his deputies, Sope had counselled them to remain calm, though he implored them to 'take to the streets' to force out interfering foreigners should the need arise (*Trading Post* 21 April 2001). In late April 2001 Sope claimed that the Australian High Commission was directly interfering in Vanuatu's domestic politics because Australian Federal Police (AFP) had tapped the phones of government MPs. In fact, the AFP were investigating a consignment of heroin supposedly missing in Vanuatu, following a seizure in Fiji, with the cooperation of the Vanuatu Police. Commissioner Bong stated that their presence had been kept secret to avoid any tip-offs, and was in no way related to the political turmoil.

In September 2001 Natapei stated his intention to investigate allegations against Sope of contempt of court and misappropriation of public funds (*Vanuatu Weekly/Hebdomadaire* 1 September 2001), but when police tried to carry out a search warrant against Sope they were deterred by Sope's Ifiran supporters who were armed with knives and axes. While Sope eventually accepted a court summons on charges arising from the issue of bank guarantees, it appeared likely that he would mobilize grass-roots support in the event of his political career being undermined by criminal prosecution.

Sope has thrived in the arena of national politics, and broadened his support base from his home island of Ifira, in Port Vila harbour, to the entire Rural Efate electorate. Sope is acknowledged as an astute leader whose leadership skills saw him elected prime minister although his party held only four seats in the 52-seat parliament. Yet support in Ifira has waned since the late 1990s, specifically because the negative impacts of his involvement in scandals such as the Ghosh deal had been consistently and convincingly highlighted by the Natapei administration. In July 2002 the Supreme Court of Vanuatu sentenced Sope to

three years in jail on two convictions for forging bogus bank guarantees worth \$US23 million – a \$US5 million bank guarantee for the Vanuatu Investment Corporation Limited and a \$US18 million guarantee for Dynamic Growth Projects Pty Ltd (*Port Vila Presse* 19 July 2002). Although Sope's supporters attempted to mount demonstrations for his release in August 2002, they could rouse little public support because the chief of Ifira, Mantoï Kalsakau III, argued against the demonstrations. The island of Ifira – Sope's core constituency – has shifted its allegiance behind UMP MP for Efate Rural, Stephen Kalsakau. Despite initial fears that it would foment civil dissent and make him a martyr, Sope's imprisonment has been met with indifference.

While the government had its attention focussed on defeating Sope, the appointment of Mael Apisai as Commissioner of Police provoked the most serious challenge to the government's legitimacy since it had taken office. On 4 August 2002 police officers acting under direction from a troika of senior officers – Eric Pakoa, superintendent of police for the Southern Islands, the head of the VMF, Lieutenant Colonel Api Jack Marikembo, and the acting commissioner of police, Holi Simon – arrested the fifteen members of the Police Services Commission (PSC) on charges of 'seditious conspiracy' arising from procedural irregularities in Apisai's appointment. Following Apisai's appointment, senior staff, including Marikembo (an unsuccessful applicant for the position of commissioner of police) refused to carry out orders issued by Apisai. Arguably, Apisai was appointed to purge anti-government elements from within the police and VMF, but his subordinates forcibly pre-empted their censure. At the time of his arrest, the new commissioner had prepared, but not issued, disciplinary procedures against Marikembo and other insubordinate officers.

In the early hours of 4 August 2002, a group of Vanuatu Mobile Force troops, using the operational title 'Operation Procedure 2002', arrested Apisai and the entire PSC, including the attorney general, the secretary to the president, and the ombudsman. Despite the support of the majority of the VMF, members of the police force had met Apisai's appointment with great scepticism because the PSC had not scrutinized his application. Vanuatu's disciplined forces had been without an official commander since the retirement of Commissioner Peter Bong in 2001. Jenny Ligo, commission member and president of the Vanuatu Council of Women, stated that the chair of the PSC, Michael Taun, had bowed to political influence from within the government, but not from Minister of Internal Affairs Joe Natuman, which sparked fears of an internal struggle within the VP. (Deputy Prime Minister Serge Vohor (UMP, Santo) later took charge of the

¹³ Key officers have been paid settlements, but the periodic refusal of ministers to approve payments, the lack of funds to acquit such payments, the lack of records of what is owed, and claims by officers who are not entitled to allowances, have all delayed the settlement of the issue.

police/VMF portfolio from Natuman under direction from Prime Minister Natapei, who was attending the Pacific Islands Forum meeting in Fiji).

On 8 August Justice Roger Coventry overturned Apisai's appointment and directed the PSC to settle on an acting commissioner as soon as possible in preparation for the appointment of a commissioner once the PSC had considered a fresh round of applicants. Coventry's decision was arguably oriented towards diffusing tension between the government and the troika of dissident officers. The PSC's guidelines for selecting the police commissioner are vague, the apparent political interference in the selection process notwithstanding. Coventry's ruling allayed government fears of further action during the Melanesian Arts Festival and Fes Napuan (18-28 August), but when the government launched a procedural counter-strike fears of civil strife were again raised. The arrest of Holi Simon and Api Jack Marikembo on 26 August 2002 was carried out after the public prosecutor laid charges of mutiny and incitement to mutiny against nineteen senior VMF and police officers arising from the initial arrest of the PSC.

The arrests inspired reports that Natapei had gone into hiding, while heated exchanges erupted between 'rival groups of police' (*Sydney Morning Herald* 27 August 2002). The factionalism between the police and the VMF which emerged during acute political instability in 1996 stirred anxiety amongst donor countries that party rivalry might escalate to organized violence between factions of the disciplined forces. Increased donor support for law and order and policing projects, including the establishment of the Joint Police Operations Command (JPOC), was informed by the need to break this perceived organizational rivalry. Although the success of these initiatives remains to be proven, until 2002 there had been no serious breakdown in relations between the police and the VMF.

The *Sydney Morning Herald* story elicited an angry response from government spokesman Daniel Bangtor, who decried the media's inaccurate reporting and moved the government to lodge a complaint with the Australian High Commission: at the time of the arrests Natapei was chairing a meeting of the prime minister's Special Advisory Group in the heart of Port Vila (*Port Vila Presse* 31 August 2002). The officers were released on bail on 9 September 2002: junior police officers will carry out the investigation into 'Operation Procedure 2002'. The police and VMF officers who were suspended by the PSC have attached two caveats to any reconciliation process: they have demanded that their case against the PSC be reopened and that their suspension be dropped (*Trading Post* 31 August 2002). Without their imprimatur the proposed

reconciliation ceremony will be meaningless; if the government concedes to their demands it would create a dangerous precedent, especially in the light of recent statements by Prime Minister Natapei that law and order would be enforced fairly and uniformly (*Trading Post* 31 August 2002). The president has disbanded the PSC under Michael Taun and replaced it with one under the chair of the director general of the Office of the Prime Minister, Jean Sese.

Conclusion

Scepticism over the long-term prospects for peace in Vanuatu is based on three interrelated issues: economic stagnation, regional trends, and fractious national politics. For over a decade, Vanuatu's parliament has been effectively neutered by factional infighting and constitutional crises. The fragmentation of the VP in 1991 undermined the only party capable of forming government in its own right. Since then, provision of services to the islands has become negligible as the remnant parties engage in 'horse-trading' to form coalitions. This situation has shifted attention from long-term policy considerations to the immediate pragmatic concerns of brokering alliances. Whereas these forces have contributed to the breakdown of social and political order elsewhere in the Pacific – notably in the Solomon Islands (Kabutaulaka 2001: 1-3) – Vanuatu has remained peaceful, at least in part because of grass-roots indifference to such political spectacles.

Throughout the 1990s the focus of politicians has shifted to internal forces as the major challenges to stability. The endemic problem of regime instability in Vanuatu has undermined durable policy formation and implementation, especially with relation to macro-economic policy, with visible impact on the viability of Vanuatu's economy. Recent events have shifted the focus from ethnic unrest as a possible source of instability to the role of the disciplined forces. The acquittal of monies owed to the police and VMF has been an enduring problem for the Vanuatu government, and has created subsidiary problems in its wake.

The continued survival of the VP/UMP government has brought respite from the political instability of the 1990s, but key obstacles remain. Its prospects were significantly strengthened by the conviction of Barak Sope. Despite Sope's preparedness to invoke a narrow vision of Vanuatu's national interest in 2001, his eventual arrest and conviction did not translate into civil unrest. By his actions in this, Natapei signalled his intention to stamp out the sort of maverick leadership which Sope embodied, and hopefully lessen the potential for the economic mismanagement and corruption which Vanuatu has witnessed over

the past decade. Whether he will pursue his convictions within his own government is yet to be seen, but considering the precarious majority his government holds it is perhaps unlikely. While UMP spokespeople have reiterated their allegiance to the Vanua'aku Pati and publicly supported its policy imperatives, key government members, including the deputy prime minister, have been targeted for investigation (*Trading Post* 19 May 2001).

The relative calm of Natapei's term in office has been shadowed by the recurrent fear that each political event will trigger greater conflict. Over the past decade Vanuatu has managed to resolve its crises peacefully. However, events in Solomon Islands, Fiji and Papua New Guinea have encouraged the view of social breakdown in Vanuatu as inevitable. Senior government officials have consistently distanced Vanuatu from the social and political disintegration in neighbouring Melanesian countries and criticized regional media for their exaggerated and inaccurate reporting. Arthur Caulton reiterated these points when he accepted the mantle of acting police commissioner: 'Alphabetically, Vanuatu comes last, at the bottom of the group but this is not a disadvantage since we have taken our time over the last 22 years to learn from the mistakes of our neighbour countries' (*Trading Post* 31 August 2002). The Natapei administration has demonstrated its willingness to take on difficult targets and possibly risk unrest to fulfil its core political aims. Whether Caulton's statements were pure rhetoric, intended to support these aims, or provide grounds for believing that Vanuatu will not become part of the so-called 'arc of instability', remains to be seen.

Epilogue

In national elections in May 2002, the Vanua'aku Pati was initially returned with 14 seats, but attracted 3 independent candidates, giving it numerical superiority in the House over its coalition partner the UMP, which won 15 seats. The governing coalition thus has a majority of 32 of the 52 seats, and the VP retained the prime ministership.

Paul Ren Tari was not re-elected to the seat of Maewo in the May 2002 elections: he was defeated by Philip Boedoro (VP). He is currently seeking compensation for the charges brought against him by the Natapei government.

IN SPITE OF MR SPEIGHT?

FIJI'S ROAD TO THE GENERAL ELECTIONS OF 2001¹⁴

Brij V. Lal

George Speight's seizure of the Fiji parliament on 19 May 2000 now seems like a bad, nightmarish dream. Contrary to all provocations and incentives to violence, Fiji managed, but only just, to retrieve itself from the precipice of national disintegration. A year later, Speight was tried for treason, and is currently serving a seven-year sentence, though moves are afoot to have him pardoned. In August 2001 the country went to the polls, returning Laisenia Qarase's newly-formed Soqosoqo Duavata ni Levenivanua to government with thirty-two seats. The Labour Party, his main rival, won twenty-seven. The holding of the election was an important development, but instead of resolving the country's many deep-seated problems it compounded them. Qarase breached the constitution under which he was elected by refusing to have Chaudhry in a multi-party cabinet. The constitution provides that any political party with more than 10 per cent of seats in parliament is constitutionally entitled to be invited into cabinet. Under a formula provided for in the Korolevu Declaration, Qarase would have twelve cabinet positions and Chaudhry eight. Labour challenged the government's decision. The Fiji Court of Appeal ruled in Labour's favour, but the matter will be settled finally by the Supreme Court in early 2003. Meanwhile, Fiji remains marooned in the shallows. Whether the people of Fiji will accept the verdict of the court, whatever it might be, remains to be seen.

The early days following the hijacking of the Fijian parliament were a time of great confusion and apprehension for the people of Fiji. After fifty-seven days,

¹⁴ For background to the coup see Lal (2000a, 2000b). This paper draws from my personal archives on political developments in Fiji, which can be consulted at the Centre for the Contemporary Pacific at the Australian National University.

the hostages were released following an agreement (the Muanikau Accord) the military negotiated with the rebels. But the agreement was declared null and void when the rebels breached its terms. For its part, the military accepted the abrogation of the constitution, asked the then president, Ratu Sir Kamisese Mara, to step aside, which he did, and installed a civilian administration headed by the merchant banker and bureaucrat Laisenia Qarase. The interim administration took a number of early decisions designed to win public support and placate the international community. It announced a new Constitution Review Committee, headed by Fijian academic and nationalist hardliner, Professor Asesela Ravuvu, to review the 1997 constitution and recommend further measures to enhance Fijian control of the political process. The committee, disbanded in mid July, was boycotted by the Indo-Fijian community. The report has still not been released to the public.

To win Fijian support, the interim administration outlined a 'Blueprint for Affirmative Action on Fijian Education'. The aim of the Blueprint was to 'transform all Fijian schools into centres of cultural and educational excellence, facilitate and provide the quality education and training Fijian students need for their own individual development, and to adequately equip them for life in a vibrant and developing economy,' and to 'inculcate into Fijian parents the understanding that education is the key to success in life and to therefore place the education of their children highest on their list of priorities'. An affirmative program for indigenous Fijian education has been in place since independence in 1970, but has failed to bear the desired fruit. Critics asked whether considering Fijian education in isolation, with the experience of the past failures in mind, would necessarily lead to the expected outcome. The interim administration, keen to collect Fijian votes, pressed on regardless, announcing other racially-based affirmative action programs for the indigenous Fijian and Rotuman communities.

With the interim administration in place, local and international pressure on Fiji mounted for a swift return to parliamentary democracy. At first the interim administration demurred, citing security reasons for delaying elections. But then followed a series of events which forced its hand in unexpected ways. The first, and perhaps the most important of them, was a court case challenging the abrogation of the 1997 constitution and the legality of the interim administration. The case was launched in the Lautoka High Court in August 2000 before Justice Anthony Gates, by a displaced farmer from the violence-ravaged southeastern Fiji, Chandrika Prasad. In his landmark ruling, handed down in November, Justice Gates found in Prasad's favour on all counts. The declaration of emergency by the president was invalid, and the revocation of the

constitution unconstitutional. The parliament, the judge said, was 'still in being', and he ordered the president to reconvene it 'at his discretion but as soon as possible'. The judgement caught the interim administration by surprise, partly because it had not expected it to be so far-reaching.

As expected, the interim administration took the High Court decision to the Court of Appeal, the Supreme Court having been abolished by decree on the advice of the chief justice. The court, consisting of five overseas judges and presided over by Sir Maurice Casey of New Zealand, heard the appeal from 19 to 22 May and handed down its decision on 1 March. It declared that the 1997 constitution remained the supreme law of the land, and that the parliament had not been dissolved but prorogued for six months. But it ruled, against Justice Gates' decision, that the office of the president under the 1997 constitution had become vacant upon the resignation of Ratu Sir Kamisese Mara.

It was landmark decision, broadcast live to the nation. In the 29-page ruling, the court carefully treated every objection raised by the interim administration. A major contention of the interim administration was that the 1997 constitution 'did not adequately protect their [indigenous Fijian] interests'. The court concluded that the constitution was the result of a comprehensive process of consultation; that it contained iron-clad protections for fundamental Fijian interests and concerns, and that it could not be altered without the support of the indigenous Fijians themselves. Contrary to the interim administration's claim, the 1997 constitution had 'received almost universal acclaim'; it cited Major General Sitiveni Rabuka's praise for the document as 'an expression of confidence and hope in our collective future'.

The interim administration had also argued strongly that the electoral system based on the alternative vote had 'proved extraordinarily complex, the results remarkably ambiguous and its merits as a tool for promoting ethnic cooperation highly questionable'. With another voting system, preferably the first-past-the-post, Fijian parties would have emerged victorious. The court ruled otherwise, after a close analysis of the voting figures. 'Whichever system had been used', it concluded, 'the voting figures would have made the FLP [Fiji Labour Party] the largest individual party by a substantial margin'. The court also rejected the interim administration's claim that it was effectively in control of the country because the populace had acquiesced and the revolution had succeeded. The court was satisfied that freedom of speech and mobility were inhibited, with the application of emergency legislation hindering the expression of dissenting views. That is, the test of acquiescence had not been proved, the evidence to the contrary being overwhelming.

The court's decision caused commotion in the country. The military, which had given an undertaking to respect the decision, demurred. But the interim administration, to its credit, accepted the decision, as also did the Great Council of Chiefs, albeit with some reluctance. The interim administration would not resign, but committed itself to a general election at an unspecified date. That decision caused comment, but the deposed government itself was divided. Mahendra Chaudhry advised the president to dissolve a reconvened parliament and call for fresh elections. However, his deputy, and rival for leadership, Dr Tupeni Baba, wanted the president not to dissolve parliament but to call for the formation of a government of national unity from among the elected members of the old parliament. The rift between the two men, long simmering, was now in the open. When the president refused to heed the deposed prime minister's advice, the Citizen's Constitutional Forum (CCF), a non-government pro-democracy movement, took the matter to court. In July, Justice Scott rejected their case, invoking the contentious concept of 'doctrine of necessity' to justify the president's extra-constitutional action, while the interim administration de-registered the CCF for its alleged interference in politics.

The performance of the judiciary, especially that of the chief justice, had been severely criticized long before Scott's decision. The Fiji Law Society passed a vote of no confidence in Sir Timoci Tuivaga and asked him to step aside, criticizing him for his unconstitutional advice to the president and for his role in drafting a decree abolishing the Supreme Court. The public skirmishes involving the judiciary and the Law Society damaged public confidence in an institution whose reputation for integrity and impartiality had, thus far, remained untainted. The various court challenges following the Court of Appeal decision generated more heat than light. After March 2001, the battle had shifted from the court of law to the court of public opinion, though some local lawyers thought otherwise.

Meanwhile, once the date for the elections was announced, political parties began to prepare for the campaign. Chaos was the order of the day. The Labour Party fractured over Mahendra Chaudhry's leadership. Dr Baba attacked his former leader as a 'monster', a dictator who had breached every principle of democratic governance. About to face the disciplinary committee of the party, and unable to topple Chaudhry in the caucus, Baba along with some of his close supporters resigned to form a new Fiji Labour Unity Party. The party won two seats in the 2001 election, though its leader, Dr Tupeni Baba, was unsuccessful, and subsequently resigned to accept an academic position at the University of Auckland.

For his part, Chaudhry welcomed the prospect of serving as prime minister again, dismayed some of his own supporters who wanted to him to hold his political ambitions in check for a while, and inviting the wrath of the Fijian nationalists, who vowed never to accept him in the top job again. The National Federation Party, decimated at the polls in 1999, began to regroup, but without its longtime leader, Jai Ram Reddy, who announced his retirement from active politics. The party, once again, fared badly at the polls, winning only one seat (which was invalidated by the High Court; the Supreme Court later ruled that the High Court had acted wrongly, but was unable to override the decision because there is no appeal from the Court of Disputed Returns). Labour was the clear winner in the Indo-Fijian electorate.

On the Fijian side, factionalism and fragmentation reached endemic proportions, despite persistent efforts by the Fijian Methodist Church to promote a dialogue of unity among Fijians. George Speight's supporters on the island of Vanua Levu formed the Conservative Alliance, naming George Speight as its president in absentia. In the west, Apisai Tora, ever mercurial, launched yet another party, the Bai Kai Viti, which would compete for votes with the party he launched for the 1999 elections, the Party of National Unity. The Soqosoqo ni Vakavulewa ni Taukei (SVT), launched by the Great Council of Chiefs in 1990, and the party in power throughout the 1990s, changed leaders in June 2001, veteran politician Filipe Bole replacing the hardliner Ratu Inoke Kubuabola, but to little avail – the party failed to win a single seat. In early 2002 Bole resigned from the SVT to launch yet another Fijian party, the Fijian Democratic Party. Laisenia Qarase, the interim prime minister, launched his own party, the Soqosoqo ni Duavata ni Lewenivanua (SDL). The SDL emerged the clear winner, sending some of its rivals into extinction or forced exile.

Fijians were disenchanted with all this fragmentation and splintering; they yearn for political unity, but that dream is as elusive as ever. The era of the rule of paramount chiefs, which began in the 1960s, ended with the departure from the national scene in 2000 of Ratu Sir Kamisese Mara. Younger chiefs aspiring for national office are too deeply embroiled in provincial and local politics to carve out a national niche for themselves. At the same time, their role in national politics is challenged by Fijians of non-chiefly rank. Furthermore, election from traditional provincial boundaries of twenty-three Fijian seats accentuates provincial and regional sentiments at the expense of forging overarching national loyalties. On the Indo-Fijian side, too, the departure of the best and the brightest to other countries has had a significant negative impact on the calibre of leaders available to the community.

As it awaits the outcome of the court case before the Supreme Court, expected sometime next year, the Qarase government has once again opened up debate about the relevance of democracy to Fiji. Its institutions and practices, it says, are inimical to Fijian interests, and antithetical to the social ethos of a society based on hierarchy and privilege. Many in government and in the wider Fijian community argue that Fiji should always have an indigenous Fijian as head of government. That call is emotionally appealing but fraught. For the question is not whether to have a Fijian head of government, but which Fijian will be acceptable to a militant Fijian minority at a particular point. Recent Fijian history is replete with examples of Fijians turned out of office by Fijians themselves. They include Ratu Sir Kamisese Mara and Major General Sitiveni Rabuka. Fijian soldiers mutinied against their commander Frank Bainimarama. And George Speight (who claims to be a Fijian of sorts) has been put behind bars by Fijians who have benefited from his treasonous action.

The prime minister has also floated the idea that land ownership should be taken into account in determining the structure of executive power. Fijians now own 90 per cent of all land in Fiji, and that fact, he asserts, should be reflected in the composition of parliament. This anachronistic proposal, sure to be rejected by the international community, raises another issue: how will those provinces, such as Ba, which have more land than, say, the maritime provinces, be accommodated in a system founded on the logic of property-based representation? Qarase has also expressed personal support for a completely race-based electoral system, arguing that Fijians and Indo-Fijians have always voted on racial lines. While that is true, it raises questions about the apparent Fijian and Indo-Fijian attachment to their primordial roots when people in many developed and developing multi-ethnic societies are able to cross ethnic and cultural boundaries with ease. The answer is simple, but those in power are not prepared to countenance it: Fiji has always had a race-based electoral system which encourages and rewards ethnic attachments. If we create an electoral system based on race, people will vote along racial lines.

There are other issues, too, which provoke debate. The government has embarked on a deeply contested race-based affirmative action policy in favour of the indigenous Fijians on the assumption that they alone are in need of special assistance. Critics cite independent research to argue that poverty cuts across ethnic lines and that other communities also need help in specific areas. In parliament, government ministers vilify the Indo-Fijian community ('wild weeds', in the words of Social Welfare Minister Asenaca Caucau) and call for the abolition of public holidays for Hindu and Muslim festivals (Senator

Bulanauca), without being reprimanded by the prime minister for their hurtful comments. Meanwhile, the plight of those whose leases have not been renewed, and who have been forced to look for alternative employment, continues to worsen. Two years after the Speight saga, fundamental social and political questions about the nature and purpose of politics in Fiji remain unresolved.

ISLANDS OF NEGLECT

Benjamin Reilly

Weak governance, widespread corruption, economic mismanagement, rising crime, and violent ethnic conflicts are undermining the stability of the island nations of the South Pacific. As some countries assume the status of Somalia-like 'failed states', the formerly benign South Pacific islands represent a growing threat to regional security.

This process has been hastened by the lack of attention to the region's problems by traditional powers like the United States, Australia and New Zealand. Now, rising Asian powers like China and Taiwan – which have important diplomatic, economic and strategic interests in the region – are moving to fill the vacuum created by the weakness of the region's states and their debilitating internal conflicts.

The facts of these internal conflicts are grim. Over the past year, there has been a coup in Fiji, followed two weeks later by the overthrow, at gunpoint, of the Solomon Islands government and a bloody civil war between rival ethnic militias. There has also been insubordination by the disciplined forces in Vanuatu, the assassination of a cabinet minister in Samoa, and growing criminal influence in 'microstates' like Nauru and Tuvalu. In March 2001 the region's largest country, Papua New Guinea, saw a short-lived uprising by elements of the Defence Force against their own government as part of a pay dispute.

The region is also mired in sub-standard economic performance. In fact, the South Pacific is on a par with sub-Saharan Africa in its per capita GDP, literacy and schooling rates, public health statistics and, ominously, in its lack of economic opportunity for young job seekers. What underlying forces are driving this 'Africanization' of the South Pacific region?

Civil-military relations

Growing tensions between civilian governments and their armies across the region – exemplified by last year's events in Fiji and the Solomon Islands, and the recent military insurrection in Papua New Guinea – is problem number one.

Most Pacific island countries do not have a standing army. But those that do are finding it increasingly difficult to keep military forces under civilian rule. In Fiji, for example, members of the armed forces actively conspired with criminal groups last year to overthrow the elected government they were duty-bound to protect.

Increasing military insubordination over pay claims and industrial matters is another problem. This first came to prominence in Vanuatu two years ago, when members of the country's Mobile Force abducted a cabinet minister over a pay dispute. In March, this practice spread to Papua New Guinea, where elements of the army rebelled over attempts to downsize the country's unwieldy and inefficient military.

In all cases, there are now clear questions as to the degree of civilian control over the military. In Africa, the worst abuses of civilian populations have been performed by their own armies. This grim scenario is becoming increasingly possible in the Pacific as well.

Small arms proliferation

Until recently, the South Pacific's geographic isolation helped protect it from the abundant supply of cheap light weapons that have fuelled African conflicts for decades. But there are other ways in which guns can be placed in the hands of rebel forces, as was shown by the Fiji coup in May last year. Utilizing arms stolen from military depots, coup-leader George Speight and his supporters – including members of the Fijian army's Special Forces Unit – amassed an extraordinary armory of firepower, taking the government hostage and crippling, perhaps permanently, Fiji's nascent democracy. Two weeks later, in the Solomon Islands, Prime Minister Bartholomew Ulufa'alu was forced to resign at gunpoint after armed rebels from the Malaitan Eagle Force seized the capital. There, it was the police force (whose members are overwhelmingly Malaitan), that supplied the weapons.

In each case, the key has been access to weapons, mostly stolen from military or police armouries. Aggrieved groups have discovered the truth of Chairman Mao's adage that power grows out of the barrel of a gun. As a result, both Fiji and the Solomons today have governments installed by the bullet, not the ballot.

Group inequality and identity politics

A third element driving conflicts in the South Pacific is ethnic identities and inequalities, combined with the struggle for control of natural resources.

Tensions over land ownership are especially important. In some countries, hostilities between indigenous populations and perceived 'settler' groups – such as Indians in Fiji – are partly driven by deep-rooted concerns about land rights. But elsewhere, many conflicts are between rival tribes or clan groupings – as in the Solomon Islands, where movements of people from the island of Malaita to the main island of Guadalcanal is a root cause of the current civil war.

Perceptions of ethnic group inequality have also proved to be a potent mobilizing force. In the long-running Bougainville war, and again more recently in the Solomon Islands, ethnic tensions between different areas have been ruthlessly exploited by unscrupulous leaders. Many 'ethnic' conflicts are, in reality, power struggles over the control of resources and control of the state. But the ethno-linguistic fragmentation of the South Pacific makes identity issues a potent mobilizing force. It is these divisions – between language group, clan, and region – that are increasingly coming to the fore as sources of ethnic conflict.

Brittle governance

A fourth element in the Africanization of the region is the increasing weakness of basic institutions of representative government. As in Africa, the democratic institutions of most South Pacific states were transferred from colonial powers. Despite cases like Papua New Guinea, where a local body drew up the independence constitution, these institutions invariably drew on overseas experience rather than being designed for the newly-independent countries themselves. The Westminster parliamentary model is particularly prevalent, due to the high proportion of South Pacific states colonized by Britain. But in contrast to the Westminster ideal of a stable two-party system, most political parties in the South Pacific have proved to be weak, fragmented and incapable of generating stable government.

The region's largest and most important state, Papua New Guinea, has been plagued since independence by parliamentary votes of no confidence, with more changes of government on the floor of parliament than at elections. At the 1997 elections independent candidates, mostly representing local clan groups, won a majority of the total vote, although the average support level of elected candidates was just 19 per cent of the vote. The situation in the Solomon Islands is even more extreme.

The result is that elections are a contest to see whose extended family and clan groups can gain enough votes to get elected. Under the first-past-the-post systems used in the region, candidates do not need to gain widespread support, and elections are often won with remarkably low vote totals. As a result, most elected governments represent only a small fraction of their population.

China rising

A final – and most serious – aspect of the region's Africanization is the increasing weakness of the region's states, and their growing search for external support. Many Pacific states are turning to new benefactors and supporters, as traditional powers like Australia, New Zealand and the United States increasingly lose interest in the region and its problems. As a result, the South Pacific is undergoing a geopolitical shift away from the West and towards Asia.

Along with Japan, China and Taiwan have been particularly prominent in exploiting this shift. Both have offered financial support to island governments, building parliamentary complexes and government offices, in return for votes of support at the UN.

China has also forged new defence ties with Papua New Guinea and other governments, and in 1997 established a military satellite-tracking facility on the Micronesian island of Kiribati. Taiwan has also been an active player in the region, particularly in the Solomon Islands, which grants diplomatic recognition to Taiwan over China in return for large cash subsidies.

As the Africanization of the South Pacific continues, weak and unstable regional governments will increasingly seek this kind of external support. This will have long-term strategic consequences, not just for the island state themselves but for the entire Asia-Pacific region.

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